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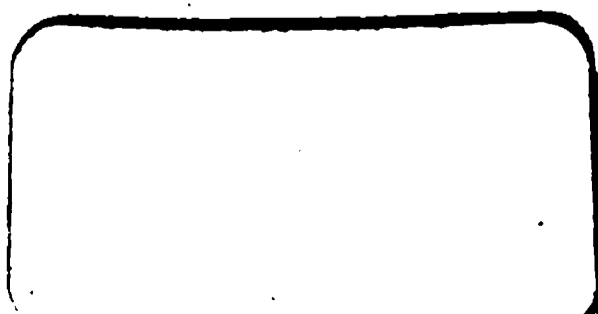
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COMMONWEALTH OF AUSTRALIA.

PARLIAMENTARY DEBATES.

SESSION 1901-2.

(FIRST SESSION OF THE FIRST PARLIAMENT.)

VOL. XII.

(Comprising the period from 26th August, 1902, to 10th October, 1902.)

SENATE AND HOUSE OF REPRESENTATIVES.

53
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Senator O'CONNOR.—Under ordinary circumstances, it can make no difference. Only when there is an extraordinary drought or other conditions which shorten local production will any increase in the price be caused. The only effect of the duty is to preserve the market for the local producer, and protect him from the occasional shipments of special lines which come in and disturb prices. The duty makes the market steady, and enables the local producer to invest with the certainty of a return.

Senator O'KEEFE. — The duty only operates when the public are hard up.

Senator O'CONNOR.—Not when the public are hard up, but when for some reason or other the supply runs short. It is better to have continuous protection which will operate permanently, and will not damage the consumer, than, in a condition of panic, to make an alteration which will apply during years and years of good production, merely for the sake of obtaining something cheaper in an occasional period of scarcity. It would be most unfortunate for Australian industries, and for the future of the Commonwealth, if we were to be guided by the exceptional circumstances of the present season, and refuse the reasonable amount of protection now proposed.

Senator EWING.—In all the other States for years 2d. was the maximum duty.

Senator O'CONNOR.—For some years in New South Wales the duty was, I think, 2d.; but in Queensland the duty was 3d., South Australia 4d., and in Tasmania, Victoria, and Western Australia 2d. The average duty was about 3d., putting aside New South Wales, in which State latterly there was free-trade. Where the duty was imposed for revenue purposes it was not more than 2d., but what is now proposed is both a revenue and protective duty.

Senator EWING.—Was not the duty in Victoria protective?

Senator O'CONNOR.—At 2d. it certainly was not. Was the duty of 2d. in Western Australia protective?

Senator EWING.—Undoubtedly it was intended to be.

Senator O'CONNOR.—The duty of 2d. was imposed for about twenty years in New South Wales, for the sole purpose of raising revenue. If we are imposing these duties simply from the point of view of revenue, let us fix them at such rates as are necessary for that purpose. Do not let

us delude the public with the belief that we are preserving existing industries, when we are imposing merely revenue duties, and leaving the industries to be hampered and endangered by importations. There is, perhaps, no industry which affects to a larger extent the people of the country than that of pig raising and ham curing. It is an industry which is not carried on in great establishments, but as a general rule by small farmers and their families all over Australia. There is hardly a farming community which, under conditions at all suitable, does not make the industry a means of income. This is a question which ought to receive our most careful consideration. We ought not to propose a duty which is entirely insufficient for protective purposes, simply because an occasion has arisen which may give rise to a wish for the cheapening of the product.

Senator EWING.—A duty of 2d. is about 40 per cent.

Senator O'CONNOR.—I do not care whether a duty of 2d. amounts to 40 per cent. or 50 per cent.; it is insufficient.

Senator Sir FREDERICK SARGOOD.—It was found ample in Victoria.

Senator O'CONNOR.—I should like some proof of that.

Senator Sir FREDERICK SARGOOD.—The honorable senator has only to go to the westward in order to see the results.

Senator O'CONNOR. — The duty was 4d. in South Australia and 3d. in Queensland, and I know that it is necessary to have the duty placed at such a figure as will result in both revenue and protection.

Senator Major GOULD (New South Wales). — This question was considered very fully by the Senate, and the conclusion was arrived at that a duty of 2d. was quite sufficient. Senator O'Connor proposes that bacon, which is worth about 4d. per lb., shall, along with York hams, which are worth 1s. or 1s. 2d. a lb., pay a duty of 3d.

Senator O'CONNOR.—As a matter of fact, from a duty of 3d., there will be £6,000 collected.

Senator Major GOULD.—If we place the duty at 2d., which was the rate in Victoria, where the people professed to have a scientific system of protection, we shall be meeting our protectionist friends as far as they can expect to be met. The honorable and learned gentleman says that the present time of scarcity is

exceptional, and therefore it is severely felt. A time of scarcity is a time when the duties on articles of food should be decreased instead of increased. It reminds me of the old story of a man who has an article which he sees a chance to sell profitably. He does not care how many persons may be victimized so long as he is able to put a few shillings into his own pocket. The States are supposed to be federated for the purpose of helping one another. I submit that a duty of 2d. per lb. is more than ample for the purpose of both protection and revenue. I hope that the committee will reflect very carefully before it imposes heavy duties on articles which constitute the food of mankind.

Senator Lt.-Col. NEILD (New South Wales).—This afternoon Senator O'Connor on behalf of the Government and the other House, asked the Committee to place a duty of 1½d. per lb. on articles of luxury, such as game and poultry. And now he insists that we shall place exactly double that rate of duty on such common articles of daily consumption as hams and bacon. It does not seem to me that there is the smallest effort towards consistency between the two proposals. If boned pheasant, tinned peacock, preserved grouse, and other luxuries are to come in at a duty of 1½d. per lb. under the *aegis* of Senator O'Connor, how can he reconcile it with his conscience—how dare he attempt to fold his eyes in slumber to-night when he knows that he has been insisting upon the imposition of a duty of 3d. per lb. on ham and bacon. Is there any consistency of idea or principle there? I hope that he will not press his motion, because he admits that it is really a tax to operate only when people are "hard up." It is not to apply when people are well off. The tax-gatherer is only to come round when the poor taxpayer has not the wherewithal to meet the ordinary needs of life. That would not apply to all the luxuries which come in at a duty of 1½d. per lb. These are cooked and prepared for the table in the majority of cases, and in regard to which there is nothing like the same loss of weight as there is in the cooking of bacon. It should be remembered by honorable senators that the tax on bacon is increased very greatly by reason of the reduction in weight in the process of cooking. With every desire to conciliate honorable members in another place, I must press the request for a reduction of the duty in this case.

Senator HIGGS (Queensland). — The senators for New South Wales seem to have come here to help that State at the expense of Queensland, in which farmers depend very largely on hams and bacon for a considerable portion of their monthly income. They are able to do well in the industry in districts which are not affected by the drought. Farmers who five years ago used to live in the poorest way are now doing fairly well owing to the operation of the State tariff, and owing, I suppose, to the prospect of a similar tariff being adopted by the Commonwealth.

Senator CLEMONS.—Are they not up to the level of the Victorian farmers?

Senator HIGGS.—They are up to the level of any of the farmers in the Commonwealth.

Senator CLEMONS. — Victorian farmers have done with a duty of 2d. per lb.

Senator EWING.—And the Canadian does with a duty of 1d. per lb.

Senator HIGGS.—The "Pineapple" brand of Queensland hams and bacon is the best brand to be found in the Commonwealth.

Senator PEARCE. —Hutton and Company cannot keep their orders filled.

Senator HIGGS. — The senators for New South Wales should show some consideration for the farmers in the northern State. What is the good of the honorable senators going round and seeking trouble? They are simply trading the senatorial coat before the other House. They will trip up the whole community by delaying the completion of the Tariff, as they apparently intend to do. Time after time, they have argued that the duty on an article was of no importance, because we produced enough to supply our own requirements. If the duty on these articles is of no service to the producers, its protectionist incidence disappears, and it becomes merely a revenue duty. Surely those gentlemen who want a York ham ought to be willing to pay a duty of 3d. per lb. The free-traders in this Chamber seem to have no regard for the interests of the farmers in the Commonwealth. Although the whole of the commercial community desire the Tariff to be settled in some way or other, these honorable senators are delaying its completion on account of a duty which they say has no protectionist incidence. I seriously urge honorable senators not to kick up a row about nothing—to take up a stand in relation to those items on which they feel strongly, and not

to deal with trivial matters. If a compromise is offered by another place, and the Minister in charge of the Bill moves its acceptance, it shall have my support whether it is in the interests of free-trade or in the interests of protection, because I am anxious to get to the end of this long-drawn-out session, which is wearying us all, and will drive some of us to an early political grave.

Question—That the request be not pressed—put. The committee divided.

Ayes	...	...	11
Noes	...	...	12
Majority	...	...	1

AYES.

Baker, Sir R. C.
Barrett, J. G.
Dobson, H.
Drake, J. G.
Glassey, T.
Keating, J. H.

McGregor, G.
O'Keefe, D. J.
Stewart, J. C.
Styles, J.
Teller.
Higgs, W. G.

NOES.

Clemons, J. S.
Dawson, A.
Gould, A. J.
Macfarlane, J.
Matheson, A. P.
Millen, E. D.
Neild, J. C.

Pearce, G. F.
Pulsford, E.
Sargood, Sir F. T.
Smith, M. S. C.
Teller.
Ewing, N. K.

PAIRS.

For.

O'Connor, R. E.
Downer, Sir J. W.
Zeal, Sir W. A.
Cameron, C. St. C.
Playford, T.
Best, R. W.

Against.

Symon, Sir J. H.
Harney, E. A.
Ferguson, J.
Walker, J. T.
Charleston, D. M.
Fraser, S.

Question so resolved in the negative.
Progress reported.

Senate adjourned at 10.4 p.m.

House of Representatives.

Tuesday, 26 August, 1902.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

PAPERS.

Mr. DEAKIN laid on the table the following papers:—

Report of Commissioner appointed to inquire into the foreign labour contract question in Western Australia.

Ordered to be printed.

Correspondence with the Premier of New South Wales with regard to the Federal Electoral Bill.

ORDER OF BUSINESS.

Sir WILLIAM McMILLAN seems to be a general desire on the part of the honorable members to know what remains to be done before the close of the session. I understood from the information previously supplied to us that no new business except the Estimates was to be introduced, and that the Judiciary Bill and the High Court Procedure Bill were to be pressed this session. It is desirable that we should have some definite idea as to what remains to be done in order that we may make our arrangements for some time ahead. We recognise, of course, that the business will depend to some extent on the work done in another Chamber. Independently of that, I should like to ask the Acting Prime Minister to give us some assurance regarding the actual work expected of us.

Mr. DEAKIN.—I shall be very glad to endeavour to make an authoritative statement after the next Cabinet meeting. As far as I know no measure of importance is to be introduced except those in the business-paper. The measures proceeded with during this session are one or two purely mechanical amendments of a few clauses, chiefly relating to the Treasurer's Budget, with which we have no honorable members to deal.

Sir WILLIAM McMILLAN.—Will you be asked to consider the Judiciary Bill?

Mr. DEAKIN.—I have had some conversation with the honorable members canvassed twice with a view to ascertain their feeling, and on both occasions they have received the assurance that they were not prepared to pass the Judiciary Bill, or without very prolonged debate. I deeply regret having to consent to the postponement of that measure, but unfortunately, it may be necessary. I will make an authoritative statement after the next Cabinet meeting. The Loan Bill is one of the measures that will depend on the Budget, and it is impossible just now to say whether this and one or two other measures will be proceeded with.

BUDGET.

Mr. O'MALLEY.—I desire to know whether it will be possible for the Treasurer to deliver his Budget speech in the next month, instead of holding it in the first week of October?

Sir GEORGE TURNER.—I know where the honorable member

idea that I intended to defer the delivery of the Budget until October.

Mr. McDONALD.—The statement was made in the press.

Sir GEORGE TURNER.—Then it is incorrect. The Budget statement will be made as soon as possible—I hope not later than the middle of September.

Mr. WATSON.—We ought to get rid of a few of the civil servants if they are incapable of preparing the Estimates of three departments before that time.

FEDERAL CAPITAL SITE.

Mr. THOMSON.—I wish to know from the Minister for Home Affairs when the further action promised in connexion with the selection of the site of the federal capital will be taken. I desire also to know whether his attention has been given to the fact that the considerable expenditure incurred in connexion with the visits of inspection to the proposed sites by honorable members may prove futile if the selection of the site is not made by this Parliament?

Sir WILLIAM LYNE.—The matter will be discussed at the next meeting of the Cabinet, or the one following. I quite recognise that unless further action is taken, and a further report is obtained during recess, so that the site may be selected by this Parliament, a great deal of money already expended will have been wasted.

SOUTH AUSTRALIAN MILITARY FORCES.

Sir LANGDON BONYTHON.—I desire to know whether the Acting Minister for Defence is prepared to lay on the table the report furnished to him with reference to the appointment of ten additional drill instructors for the military forces of South Australia?

Sir WILLIAM LYNE.—I think I have the report with me, and I shall lay it upon the table a little later on.

Mr. POYNTON.—I wish to direct the attention of the Acting Minister for Defence to a telegram from Adelaide which appeared in to-day's newspapers, and which reads as follows:—

The local military forces expected that under federation their pay would be increased so as to bring it up to that in the other States; but instead, a general order just issued announces that "special pay" will be stopped. Hitherto the men received special pay for guards of honour and other

special duties, the buglers and band men for practising, and non-coms. for giving instructions outside their own company, and officers for various duties. Under the new regulations a captain who subscribes to the military club will be about 10s. better off than a private, and a lieutenant will be £1 worse.

I wish also to direct his attention to the scale of pay of officers and men of the South Australian forces which, I understand, is by this regulation reduced by one-third. A private in the South Australian defence forces receives £5 per annum as against £7 10s. paid to privates in the Victorian defence force. A corporal receives £5 5s., as against £10 in Victoria, a sergeant £5 10s. compared with £11 5s., a lieutenant £6 against £15, a captain £7 10s. as against £22 10s., a major £10 contrasted with £30, and a lieutenant-colonel £15. I have not been able to ascertain the Victorian rate of pay for the last-mentioned grade of officer. The horse allowance in South Australia is £4 per annum, whereas in Victoria it is understood to be £30 per annum. In view of these facts, I ask the Minister whether he considers it fair to reduce the rate of pay of the South Australian forces by one-third.

Sir WILLIAM LYNE.—It is rather unfair to expect me to answer without notice a question such as the honorable member has submitted. I presume that the present rates of pay in South Australia are the same as prevailed before the defence forces were taken over by the Commonwealth Government. The rates paid in South Australia were lower than those in force in either Victoria or New South Wales, and I think also below those paid in Queensland. If the honorable member will give notice of his question as to the regulation, I shall be glad to furnish him with an answer as soon as possible.

Mr. BATCHELOR.—Is the Minister quite unaware of the fact that the pay for special duties hitherto given to the military forces of South Australia by the State Government, has been disallowed by the Commonwealth authorities?

Sir WILLIAM LYNE.—I presume that the honorable member's question refers to the regulation mentioned by the honorable member for South Australia (Mr. Poynton). I cannot be expected to keep every detail in my mind.

Mr. BATCHELOR.—This is hardly a detail.

Sir WILLIAM LYNE.—I think it is, considering the thousands of questions and

the number of regulations which are placed before me. I will give the honorable member the information desired as soon as possible.

Mr. GLYNN.—Can the Treasurer inform us whether, when military officers are transferred from one State to another—as in the case of the drill instructors recently appointed for the South Australian military forces—the expenditure involved is treated as new expenditure, or is debited to the State to which the officers are sent?

Sir GEORGE TURNER.—That matter has not been brought under my notice for decision, but if the honorable member gives notice of his question I shall have it looked into.

PEARL-SHELLING INDUSTRY.

Mr. R. EDWARDS.—I wish to ask the Acting Prime Minister if the Government are prepared to be guided by Judge Dashwood's report on the pearl-shelling industry, and if the exemptions already granted with regard to the employment of coloured crews and divers will be made permanent, so that an industry which now yields £25,000 per annum to the State revenue may be preserved?

Mr. DEAKIN.—Although I have found time to read the report of Judge Dashwood, I have not been able to look at the evidence on which it is based. Several of my colleagues are in the same position. When the members of the Ministry have had an opportunity of considering the reports of Judge Dashwood and Mr. Warton, and the evidence upon which they are based, I shall be prepared to make a statement to the House.

Mr. McDONALD.—Has the attention of the Acting Prime Minister been drawn to a statement which appeared in the *Argus* a few days ago regarding the report of Judge Dashwood, and is it the intention of the Government to issue any more permits?

Mr. DEAKIN.—The statement made in the *Argus* had reference to the concessions granted by the Prime Minister, Sir Edmund Barton, when the whole matter of the pearl-shelling industry was referred to Judge Dashwood and to Mr. Warton. An exemption was given for three months, and this expired about six weeks ago. Since then those exemptions have not been granted, nor is it proposed to grant more.

RE-IMPORTATIONS OF WHEAT.

Mr. BROWN.—I desire to ask whether the Minister for Trade and Customs proposes to charge duty upon Australian wheat exported and afterwards re-introduced into the Commonwealth?

Mr. KINGSTON.—There is a provision in the Customs Act which permits Australian produce to be re-introduced free of duty, subject to two conditions. I think these are, first, that an export entry shall have been passed, and second, that the produce shall be re-introduced within two years of the date of export.

NEW MILITARY APPOINTMENTS.

Mr. L. E. GROOM.—I wish to ask the Acting Minister for Defence whether his attention has been directed to the following statement which appeared in to-day's *Age* :—

The work of creating new billets for military men under the Commonwealth Government must have been going forward at a merry pace during the past few months. There are already more than 300 officers—commissioned and non-commissioned—on the salaries and wages list.

Sir WILLIAM LYNE.—I did read that statement, and I was very much surprised that an article containing so many inaccuracies should have been published in the *Age*. The statement that the work of creating new billets has been going forward at a merry pace in the Defence department is entirely incorrect. There have been no new billets created in the sense that the number of permanently employed officers and non-commissioned officers has been increased beyond the number existing at the time the departments were taken over by the Commonwealth. The contrary is the fact. Instead of the permanent appointments being increased, they are being considerably decreased. The number of commissioned officers, even when the General and his staff are included, will be at least 15 less than the number which existed last year. With the retirements now made it is actually 31 less at the present moment. The number of warrant officers—instructors—will be 48 less. The total number of permanently employed commissioned officers provided for last year was 132, and of warrant officers, permanent instructors, 253. The numbers being provided for this year are—officers 117, instructors 205. There are sixteen vacancies at present, and some of these may be filled and some may not. In

the naval forces the officers have also been reduced in number, the services of seven permanently employed officers having been terminated.

PACIFIC ISLANDS LABOURERS ACT.

Mr. BAMFORD.—I wish to know if the Acting Prime Minister can inform us whether any correspondence has passed between the Federal Government and the Imperial Government relative to the petition to the Throne from certain kanakas in Queensland, and, if so, whether he has any objection to lay the correspondence upon the table?

Mr. DEAKIN.—I do not remember any correspondence. The only reference I have seen to the petition was contained in a cablegram published in the press last week. I shall, however, assure myself on the point to-morrow.

GOVERNMENT-HOUSE, SYDNEY.

Mr. SALMON.—I desire to ask the Acting Prime Minister whether he has obtained copies of the correspondence which has passed between the New South Wales Government and the Secretary of State for the Colonies with regard to the occupation of Government-house, Sydney, by His Excellency the Governor-General.

Mr. DEAKIN.—Yes. I will hand it to the honorable member presently.

CLOSING OF POST-OFFICES.

Mr. MAHON asked the Minister representing the Postmaster-General, *upon notice*—

1. Have any official post-offices in Western Australia been disestablished since the department passed to the Commonwealth; if so, will he name the offices?

2. How many official post-offices in other States have been abolished during the same period?

3. What is the annual saving thereby effected in each State respectively?

Sir PHILIP FYSH.—The answers to the honorable member's questions are as follow:—

1. Yes, foreclosed; namely, Bannister, Diorite, King, Londonderry, and Tambourah. The following have been reduced to the status of non-official offices: Bambo Creek, Black Flag, Cuddingwarra, Gullewa, Kurnalpi, Shark's Bay, Star of the East, and Warrawoona.

2. Seventeen.

3. New South Wales £1,656; Victoria £31; Queensland £1,264; South Australia nil; Western Australia £1,689; Tasmania £145.

SALARIES OF PUBLIC OFFICERS.

Mr. TUDOR asked the Minister for Home Affairs, *upon notice*—

1. Whether he has received any additional information from the States of the Commonwealth relating to the salaries of officers in the general division of the public service in connexion with the return ordered by this House, on the 7th of February last, to be laid upon the table?

2. If not, will he take the necessary steps to obtain such information as soon as possible?

Sir WILLIAM LYNE.—In reply to the honorable member's question, I have to state—

The return will be tabled within the next few days.

PERMANENT MILITARY STAFF.

Mr. MAHON asked the Acting Minister of Defence, *upon notice*—

1. What is the number of officers and non-commissioned officers on the permanent military staff of the Commonwealth?

2. How are these officers distributed amongst the several States, and what is the number of each rank in each State?

Sir WILLIAM LYNE.—In reply to the honorable member's questions, I beg to state—

1. The total number of officers and non-commissioned officers of the district head-quarters and instructional staff is 248.

2. Distributed amongst the several States as shown hereunder—

	Officers.	Warrant and Non-Commissioned Officers.
New South Wales	... 10	... 80
Victoria	... 10	... 47
Queensland	... 10	... 38
South Australia	... 5	... 12
Western Australia	... 3	... 14
Tasmania	... 5	... 14
Total	... 43	... 205

In addition to the foregoing, there are seven permanently employed sergeants-major returning from South Africa. By not filling vacancies, however, the total establishment of warrant and non-commissioned will be cut down to 205.

PUBLIC SERVICE EXAMINATIONS.

Mr. HUME COOK asked the Acting Prime Minister, *upon notice*—

1. Is it true that the Public Service Commissioner intends holding an examination, about December next, of candidates for the clerical division of the Commonwealth Public Service?

2. Is it not true that there are a number of permanent Commonwealth officers who have passed the State clerical examinations who have not yet been appointed to the clerical division?

3. Will those who passed the State clerical examinations take priority of appointment over any new men passing the commissioner's examination?

Mr. DEAKIN.—The following are the answers to the honorable member's questions :—

1. Yes ; if it is found on inquiry in the various States that this course is necessary.
2. Yes ; in the State of Victoria.
3. This has not yet been finally determined. If it is held that they carry their salary with them, it would obviously not be in the public interest to nominate them to vacancies in the junior positions, as they would then be receiving in most cases pay out of all proportion to the work they would be called upon to perform.

ROYAL COMMISSIONS BILL.

SECOND READING.

Mr. DEAKIN (Ballarat—Attorney-General).—I move—

That the Bill be now read a second time.

I think that Acts of this nature exist in every Australian State, and although the measure before the House is drafted in accordance with the style adopted by the Crown Law department of the Commonwealth, it does not differ in substance in any particular from the statutes in operation in the various States. This measure has not been brought forward on account of the appointment of the Royal commission in connexion with the *Drayton Grange*, although that appointment called attention to the fact that while under the Letters Patent the Governor-General had the power to appoint Royal commissions, there was no means by which witnesses could be compelled to attend or the ordinary penalties could be imposed for perjury. Consequently it became necessary to introduce, at the earliest possible moment, a machinery measure which would allow of Royal commissions obtaining the evidence which may be necessary to enable them to report to the Governor-General upon any matters referred to them, and will insure that in such cases the inquiry may not be set at nought by the non-attendance of witnesses, by their refusal to answer questions, or by their failure to produce necessary documents. I do not think that any further explanation is necessary at this stage. Honorable members will see that there are only eight clauses in the Bill, and I shall be able upon each one to point to the precedents which exist in one or more of the States for the particular provisions which are here embodied.

Mr. CONROY.—In how many of the States does a similar law operate ?

Mr. DEAKIN.—In New South Wales, Victoria, South Australia, and Tasmania. There is a somewhat similar Act in force in Canada, and the same end is attained—though by different means—in the mother country. There is no lack of precedents in this connexion. Every line of the measure is well buttressed by them, as can be shown upon further investigation.

Sir WILLIAM McMILLAN.—I suppose there is no desire to proceed with this measure immediately ?

Mr. DEAKIN.—Not if honorable members do not wish it.

Mr. GLYNN (South Australia).—I see no reason for delay if the Attorney-General desires to proceed with the Bill. There are one or two small matters to which attention might be drawn in committee, but it is scarcely worth while delaying the second reading of the Bill to point them out.

Question resolved in the affirmative.

Bill read a second time.

In Committee :

Clause 1 agreed to.

Clause 2—

Whenever the Governor-General, by letters patent under the great seal of the Commonwealth, issues a commission to any persons to make any inquiry, the president or chairman of the commission, or the sole commissioner, as the case may be, may, by writing under his hand, summon any person to attend the commission at a time and place named in the summons, and then and there to give evidence, and to produce any books, documents, or writings in his custody or control material to the subject matter of the inquiry.

Mr. McCAY (Corinella).—This clause does not apply to the Royal commission which is already in existence. If it were wanted in that connexion, it appears to me it would be necessary to constitute the commission afresh by the issue of letters patent. The provisions of the clause as drafted clearly have reference to the future, and cannot possibly be deemed to be retrospective.

Mr. DEAKIN. — I confess that the point raised by the honorable and learned member is open to some doubt. However, as I did not see the necessity for the provision applying to the commission already in existence, I allowed the clause to stand in its present form.

Clause agreed to.

Clause 3—

Any of the commissioners may administer an oath to any person appearing as a witness before the commission, whether the witness

has been summoned, or appears without being summoned, and may examine the witness upon oath.

Mr. GLYNN (South Australia).—In some of the States the commissioners do not examine witnesses upon oath.

Mr. DEAKIN.—Provision is made in the next clause for allowing a witness to make an affirmation in lieu of taking an oath.

Mr. GLYNN.—I do not understand the necessity for examining a witness upon oath. Of course the penalties attaching to perjury are equally applicable to any false declaration. It appears to me that the practice of examining a witness upon oath is a rather peculiar one. It is not the South Australian practice.

Mr. DEAKIN.—It is the practice in vogue in New South Wales, Victoria, and South Australia.

Clause agreed to.

Clause 4 agreed to.

Clause 5 (Penalty for failing to attend or produce documents).

Mr. GLYNN (South Australia).—I would point out that this clause provides that if any person summoned to attend the commission fails to produce any documents or writings in his custody or control, which he was required by the summons to produce, he is liable to a penalty of £50. No provision is made by means of which a witness can claim privilege. This proposal really goes further than does either the common law procedure or the States Acts, which preserve to witnesses the right to refuse to produce documents which are privileged.

Mr. DEAKIN.—Does not paragraph 2 of clause 7 cover that?

Mr. GLYNN.—Perhaps it does.

Clause agreed to.

Clause 6 agreed to.

Clause 7—

2. Every witness summoned to attend or appearing before the commission shall have the same protection, and shall, in addition to the penalties provided by this Act, be subject to the same liabilities in any civil or criminal proceeding as a witness in any case tried in the High Court.

Mr. GLYNN (South Australia).—It is somewhat doubtful whether the word "protection" does cover the question of privilege to which I have previously alluded.

Mr. DEAKIN.—Look at the words "reasonable excuse" which are contained in clause 5. Surely anything that constitutes "privilege" is a "reasonable excuse."

Mr. GLYNN.—Perhaps those words have the effect indicated.

Clause agreed to.

Clause 8 agreed to.

Bill reported without amendment; report adopted.

GOVERNMENT-HOUSES AND EXECUTIVE COUNCIL: EXPENDITURE.

In Committee:

Mr. DEAKIN (Ballarat—Attorney-General).—I move—

That an expenditure upon Government-houses of £5,500 a year, and upon the Federal Executive Council of £1,925 a year, as submitted in the statement ordered to be printed on the 7th inst., is approved.

Mr. McDONALD.—I did not understand that we had gone into committee upon this motion.

Mr. DEAKIN.—We carried a motion to that effect the other night.

Mr. McDONALD.—I do not remember any such motion having been moved, although I understood that we were to deal with this matter in committee.

The CHAIRMAN.—I would point out to the honorable member that the House has already determined that this committee shall consider to-day the motion before it.

Mr. McDONALD.—I really do not remember any such motion being submitted. I wished to raise a question of order, and I did not desire to take that course of action in committee.

The CHAIRMAN.—I would point out that on Thursday, the 21st instant, the following resolution, which was proposed by the Attorney-General, was agreed to:—

That the House on Tuesday resolve itself into a committee of the whole to consider the following motion:—"That an expenditure upon Government-house of £5,500 a year, and upon the Federal Executive Council of £1,925 a year, as submitted in the statement ordered to be printed on the 7th instant, is approved."

Mr. McDONALD.—I was under the impression that before the House went into committee the motion would have to be moved—"That the Speaker do now leave the chair."

Mr. DEAKIN.—Not under our standing orders.

Mr. McDONALD.—That is the procedure to which I have always been accustomed. The point of order which I desire to raise is one of sufficient importance to warrant its determination by Mr. Speaker.

Now, however, that object cannot be achieved unless I move that the committee dissent from the ruling of the Chairman, and request him to refer the point at issue to Mr. Speaker. I think that the Attorney-General will realize that the matter to which I intend to refer is one which should be dealt with in the House. Standing Order 125 reads:—

No question or amendment shall be proposed which is the same in substance as any question which, during the same session, has been resolved in the affirmative or negative.

I maintain that upon the 30th of April last a Bill was introduced to this House, in which substantially the same question as that under discussion was involved. That Bill provided that there should be granted to the Governor-General the sum of £8,000 annually for the upkeep of his establishment. The motion which is now under discussion contemplates making a similar provision, though the amount has been reduced to £5,500. When clause 2 of the Bill in question was under consideration upon the 2nd of May, an amendment was proposed—"That all the words after 'establishment' be omitted." The words which it was proposed to omit had reference to making an annual allowance of £8,000 to the Governor-General for the upkeep of the vice-regal establishment, and the question then put from the Chair was—"That the words proposed to be omitted stand part of the question." The committee decided that they should not stand part of the question and inserted in lieu of them a provision that £10,000 should be granted to the Governor-General to cover the extraordinary expenditure which he had incurred in connexion with the visit of the Duke and Duchess of York. The committee distinctly refused to vote an annual sum of £8,000 for the upkeep of the Governor-General's establishment. I maintain that the motion now before the Chair is substantially the same proposal that was contained in the Bill which was considered in the month of May last. On page 264 of the tenth edition of *May's Parliamentary Practice*, I find it stated—

Nor can a motion be brought forward which is the same, in substance, as a question which, during the current session, has been decided in the affirmative or negative.

There have been cases in which attempts have been made to evade this rule by the alteration of the wording of a motion, but

it has been repeatedly ruled in the House of Commons that a mere alteration of the wording of a motion cannot be permitted to enable it to evade the rule. Those decisions are referred to in *May* on page 288, where it is stated that—

A mere alteration of the words of a question without any substantial change in its object will not be sufficient to evade this rule. On the 7th July, 1840, Mr. Speaker called attention to a motion for a Bill to relieve dissenters from the payment of church rates, before he proposed the question from the Chair. Its form and words were different from those of a previous motion, but the object was substantially the same; and the House agreed that it was irregular, and ought not to be proposed from the Chair. Again, on the 16th May, 1860, the order for the second reading of the Charity Trustees Bill was withdrawn, as it was discovered to be substantially the same as the Endowed Schools Bill, which the House had already put off for six months. So, also, on the 17th May, 1870, a motion for an address in favour of emigration was not allowed to be made, being substantially the same as a resolution which had been negatived in the same session. On the 9th May, 1882, it was ruled by Mr. Speaker that a motion affirming the necessity of legislation to enable members duly elected to take their seats was inadmissible, as an amendment to the same effect, but in different words, had been negatived on the 7th March.

If the practice of allowing questions which have been settled by the House to be brought up for discussion again in the same session were allowed, it would produce endless confusion and trouble; and we might have two or three contradictory resolutions on the same question. On page 289 of *May* there appears this very emphatic statement—

Nor can a proposal contained in an amendment which has been practically negatived by a decision of the House, whereby it was determined that the words of the original motion, on which that amendment was moved, shall "stand part of the question," be again submitted to the House during the same session.

I have raised this point of order quite apart from the merits of the proposal before us, because I think that the procedure which I wish to prevent is a bad one. The point is sustained by *Bourinot* and by *Todd*, though, no doubt, both writers availed themselves largely of the precedents to be found in *May*. It seems to me that the object of the motion before us is practically the same as that of the Governor-General's Establishment Bill. It may be argued that, inasmuch as the motion also makes provision for the expenditure of £1,925 in connexion with the executive, the question is a different one; but I would point out

that the House in dealing with the Estimates has already determined upon that expenditure.

Mr. DEAKIN.—Not for this year.

Mr. McDONALD.—In any case, I maintain that it would be to trifle with the question to argue that, because a slight addition has been added to the motion, it is therefore substantially a different motion. If that contention were allowed, the parliamentary rule to which *May* refers could be evaded in every case by merely tacking on to a motion some paltry addition.

Mr. DEAKIN.—I admit that.

Mr. McDONALD.—It may be argued, too, that the Governor-General's Establishment Bill was a measure for the appropriation of money, whereas what we are now considering is merely a bald motion which may or may not have effect.

Mr. DEAKIN.—I shall not take that point.

Mr. McDONALD.—I maintain that the motion before us deals with substantially the same question as was dealt with during the consideration of the Governor-General's Establishment Bill, and that it therefore is out of order.

Mr. DEAKIN.—I do not take any exception to the doctrine which the honorable member has laid down, nor to the authorities whom he has cited in support of it; my whole point is that neither it nor they have any reference to the case before us. When the measure providing for the appropriation of £8,000 a year for the Governor-General's establishment was submitted it was pointed out that about one-half of the sum would be spent upon entertainments, and that of the balance, part would be expended in defraying the salaries of His Excellency's staff, and another part in paying for fuel, lighting, and other *et ceteras* connected with the upkeep of the Government-houses; but the whole amount was in addition to the sum which appeared on the Estimates for the ordinary upkeep of the Government-houses, the items of which were carefully detailed. The vote then proposed was for purposes quite different from those which the sum now proposed is intended to cover. There was on the Estimates a larger sum than that now submitted to meet the various requirements of the Governor-General's household, but those requirements were quite different from those which were to be covered by the £8,000. None of them have been revived. The Government

are not submitting any proposal to cover expenditure for entertainments, salaries of staff, fuel, or any of the charges which were to be covered by the £8,000. The honorable member is a careful custodian of the rights of the House, but he has overlooked that point. If he had referred to the speech made by the Prime Minister in introducing the Governor-General's Establishment Bill, he would have seen that the objection which he has raised, although a good one under other circumstances, does not apply in this case.

Mr. JOSEPH COOK.—I am inclined to agree with the honorable member for Kennedy, and to consider the remarks of the Attorney-General altogether beside the question. The point we have to deal with is whether the motion now before us is substantially the same question as that submitted to us on a former occasion. If reference is made to the Governor-General's Establishment Bill, it will be seen that it is entitled—"A Bill to make provision for the Governor-General's establishment," while this is a motion to provide an allowance for the upkeep of the Government-houses. If it can be shown that there is a distinction between the one and the other, the Attorney-General's contention is a good one, but, unless the distinction can be made, the point raised by the honorable member for Kennedy must be upheld. If it is permissible for us to re-open this question on the plea that some of the details connected with it were not considered on a former occasion, it is competent for us to re-open the consideration of the electoral measure which we have just disposed of, and, if we like, to resurrect every other political question with which we have dealt during the session. I maintain that the question now before the committee has, in substance, been discussed and dealt with in this chamber during the present session.

Mr. McCAY.—While I accept the exposition of the honorable member for Kennedy of the practice of Parliament, I hold that that practice is not applicable to the case under discussion. If Parliament has agreed to give the Governor-General a carriage—which we may take to represent the salary of £10,000 provided for in the Constitution—and a greyhound—which we may take to represent the £13,000 set down on the Estimates—but has refused to give him a yacht—which we may take to represent the

Mr. GLYNN.—That is during the term of office of the next Governor-General.

Mr. DEAKIN.—Exactly. The reason why I do not make this resolution the foundation of a Bill at the present time, is because there has been very great difficulty, indeed, in arriving at a correct estimate as to what the expense under these several heads will be. None of this money will be paid to the Governor-General. It will be paid for the upkeep of Government-houses which are not absolutely our own freehold property to deal with as we please, but which have been handed over to us by the great generosity of the States. We are therefore under an obligation to maintain them with the same appliances and furniture, and in the order and condition in which they were when the State Governments entrusted them to us. We have arrived at the lowest possible estimate of cost, but it will require at least a year's experience before we should commit ourselves to a statement of this sum in a Bill which would become an Act, and which would then bind us until it was repealed. This resolution indicates the intention of the Government to submit this sum upon the Estimates in the hope that after twelve months' experience of the control of the Government-houses it will be found to be sufficient. They have, until recently, been under the management of the Public Works, or other departments of the States, but have now been taken over by the Department of Home Affairs, under a most capable officer (Major Miller), who has had previous experience in dealing with the establishment of a State Governor. Under the circumstances, he has thought it necessary to have 12 months' practical experience before he binds himself to this sum as being adequate. There is every reason to suppose that it will be found adequate; because, although some of the items may fall short of the required expenditure, a lesser amount required in connexion with other items may be found to balance the amount.

Mr. WATSON.—Who proposes that this sum should be asked for twelve months?

Mr. DEAKIN.—Major Miller advises that, without twelve months' experience, he would not like to commit himself absolutely to these figures.

Mr. WATSON.—Do the Government propose to alter this every twelve months?

Mr. DEAKIN.—No, they propose to submit this sum on the Estimates for this

year. At the end of this year they or their successors will, no doubt, think it desirable to include a fixed sum in a Bill.

Mr. JOSEPH COOK. — The honorable gentleman brings this forward in order that he may be able to acquaint the Secretary of State.

Mr. DEAKIN.—Yes.

Mr. McDONALD.—In the meantime a Governor-General is appointed, and the question of his allowances again crops up.

Mr. DEAKIN.—The honorable member is too previous, as the Americans say. Unquestionably, if we carry this, then, during the term of office of the next Governor-General, the amount paid to him during his term of office cannot be less. his House may choose, upon further considering the matter, to slightly increase the amount here proposed.

Mr. HIGGINS.—If experience shows that more will be required we shall have to provide more?

Mr. DEAKIN.—No. But I think Parliament would be likely to do so. We will be under an obligation to place the matter before the House in the form of a Bill, in order that we may fix, once and for all, a limit to the expense to be incurred by the Commonwealth in the maintenance of the Government-houses occupied by the Governor-General, in order that during the term of any given Governor-General no discussion shall take place regarding the amount to be paid on his account. During his term of office, of course, it will be always possible to reconsider the question as affecting the next Governor-General. But during the term of office of a Governor-General, who accepts the position upon a certain given statement, the amount can not be reduced. I have every reason to hope that the amount here proposed will not require to be increased. At the same time, it has been felt that it is only fair, in view of the difficulties with which this question has been surrounded, and in view of the warning I have received from the officer who will be charged with the control of the expenditure to ask that we should be given twelve months' experience before we absolutely pledge ourselves to these figures.

Mr. POYNTON.—Where will the Government get the money required to pay railway fares?

Mr. DEAKIN.—I shall deal with that in a moment. I hope that honorable members have grasped the position, that this

Mr. CONROY. — The figures proposed in this resolution are so extremely reasonable that I should have been only too willing, under other circumstances, to support it; but, however anxious I might have been to support it, I am afraid that the point of order raised by the honorable member for Kennedy is a sound one. There can, I think, be no question that a decision has already been arrived at by this House upon this question, though that decision did not meet with my entire approval. Are we to go back upon the sound parliamentary rule, and permit this matter to be discussed again? I think that a Bill would require to be introduced to give effect to this resolution.

The CHAIRMAN. — That question may be raised later on; but it is not at present before the Chair.

Mr. CONROY. — Unless I hear some statement from the Acting Prime Minister which will relieve my doubts, I shall feel compelled to support the honorable member for Kennedy in the point of order he has raised. The Government might advance the ground that these buildings for the time being are Federal property, but the same objection would arise then, so far as the Parliament is concerned, as we might prefer to allow them to fall into disrepair.

Mr. O'MALLEY. — It seems to me that the Acting Prime Minister is, in the language of the turf, ringing the changes on us. There can be no question that, in substance and in reality, this is the same little bit of business that was before this House on a previous occasion, when the proposal to grant allowances amounting to £8,000 a year was made. The honorable and learned member for Corinella drew a fine distinction. He told us that the £8,000 had nothing whatever to do with this. But was the £5,500 a year in the rear waiting in case the Government were outvoted on the proposal to grant £8,000? It seems to me like starting one crook and a real racer in the same race. This is the dark horse, and he has been kept waiting until a convenient opportunity to trot him out. Is it not all a question of allowances? In my opinion it certainly is. This recalls to my mind a passage from the Scriptures wherein it is stated that a certain king, with the advice of his inexperienced counselors, said to his people — "My father has laid upon you a heavy yoke, and I will add to your burdens." That is precisely what is

being done with us to-day. I support the contention of the honorable member for Kennedy.

The CHAIRMAN. — The honorable member for Kennedy in raising the point of order has referred me to Standing Order 125, which says —

No question or amendment shall be proposed which is the same in substance as any question which, during the same session, has been resolved in the affirmative or negative.

I have given the matter consideration, and, in my opinion, there is a sufficient difference between the motion now before the committee and the Bill previously discussed in this House to enable me to rule the present motion in order.

Mr. McDONALD (Kennedy). — I do not intend to move that the ruling of the Chairman be dissented from, for the reason that the motion means nothing. If there were anything in it, and if it meant the appropriation of money, I should take further action.

Mr. WILKS. — It is a pulse-feeler.

Mr. McDONALD. — That is all. It is a proposal to feel the pulse of the committee. As it stands at present there is nothing in the resolution, even if it be carried, and I shall, therefore, take no further action at the present time.

Mr. DEAKIN. — I do not wish to take advantage of the honorable member's statement in any way, but I can assure him that this resolution means a great deal. Though it does not in itself authorize the payment of a single shilling, if carried in this form it would express a deliberate judgment of the committee with a view to that being conveyed to the Secretary of State for the Colonies, so that the future Governor-General of Australia will know exactly what sum this Parliament or future Parliaments of the Commonwealth will provide for him.

Mr. McDONALD. — Not future Parliaments.

Mr. McCAY. — I suppose that the honorable gentleman means that it will impose an honorable obligation.

Mr. DEAKIN. — It is perfectly true that the carrying of the resolution will not impose a legal obligation even upon this Parliament, but it certainly will impose an honorable obligation upon this Parliament, and one which I am perfectly certain future Parliaments would also consider binding.

Mr. GLYNN.—That is during the term of office of the next Governor-General.

Mr. DEAKIN.—Exactly. The reason why I do not make this resolution the foundation of a Bill at the present time, is because there has been very great difficulty, indeed, in arriving at a correct estimate as to what the expense under these several heads will be. None of this money will be paid to the Governor-General. It will be paid for the upkeep of Government-houses which are not absolutely our own freehold property to deal with as we please, but which have been handed over to us by the great generosity of the States. We are therefore under an obligation to maintain them with the same appliances and furniture, and in the order and condition in which they were when the State Governments entrusted them to us. We have arrived at the lowest possible estimate of cost, but it will require at least a year's experience before we should commit ourselves to a statement of this sum in a Bill which would become an Act, and which would then bind us until it was repealed. This resolution indicates the intention of the Government to submit this sum upon the Estimates in the hope that after twelve months' experience of the control of the Government-houses it will be found to be sufficient. They have, until recently, been under the management of the Public Works, or other departments of the States, but have now been taken over by the Department of Home Affairs, under a most capable officer (Major Miller), who has had previous experience in dealing with the establishment of a State Governor. Under the circumstances, he has thought it necessary to have 12 months' practical experience before he binds himself to this sum as being adequate. There is every reason to suppose that it will be found adequate; because, although some of the items may fall short of the required expenditure, a lesser amount required in connexion with other items may be found to balance the amount.

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year. At the end of this year they or their successors will, no doubt, think it desirable to include a fixed sum in a Bill.

Mr. JOSEPH COOK. — The honorable gentleman brings this forward in order that he may be able to acquaint the Secretary of State.

Mr. DEAKIN.—Yes.

Mr. McDONALD.—In the meantime a Governor-General is appointed, and the question of his allowances again crops up.

Mr. DEAKIN.—The honorable member is too previous, as the Americans say. Unquestionably, if we carry this, then, during the term of office of the next Governor-General, the amount paid to him during his term of office cannot be less. His House may choose, upon further considering the matter, to slightly increase the amount here proposed.

Mr. HIGGINS.—If experience shows that more will be required we shall have to provide more?

Mr. DEAKIN.—No. But I think Parliament would be likely to do so. We will be under an obligation to place the matter before the House in the form of a Bill, in order that we may fix, once and for all, a limit to the expense to be incurred by the Commonwealth in the maintenance of the Government-houses occupied by the Governor-General, in order that during the term of any given Governor-General no discussion shall take place regarding the amount to be paid on his account. During his term of office, of course, it will be always possible to reconsider the question as affecting the next Governor-General. But during the term of office of a Governor-General, who accepts the position upon a certain given statement, the amount can not be reduced. I have every reason to hope that the amount here proposed will not require to be increased. At the same time, it has been felt that it is only fair, in view of the difficulties with which this question has been surrounded, and in view of the warning I have received from the officer who will be charged with the control of the expenditure to ask that we should be given twelve months' experience before we absolutely pledge ourselves to these figures.

Mr. POYNTON.—Where will the Government get the money required to pay railway fares?

Mr. DEAKIN.—I shall deal with that in a moment. I hope that honorable members have grasped the position, that this

proposal requires none of the extraordinary expenditure in connexion with the Governor-General, which was proposed to be made by a special grant from this House of £8,000 a year. That extraordinary expenditure has been abolished once and for all, and this proposal is only to cover the expenses of the upkeep of the Government-houses which have appeared on the Estimates already for last year, which will appear for this year, and on the Estimates in each succeeding year. The total cost to the Commonwealth is to be fixed after this year's experience, if not once and for all, at least for each term of office of a Governor-General, and, at all events, for the term of office of any Governor-General who may accept the position on the given statement. Honorable members will see that this proposal is brought before the House to enable a new appointment of a Governor-General to be made without any possibility of a misunderstanding on his part as regards future expenses.

Mr. GLYNN.—It binds the House to future Estimates.

Mr. DEAKIN.—It binds the House to provide a certain sum for a certain time. If the honorable and learned member can find any objection to that, I shall be glad to hear him on the point.

Mr. McDONALD.—Why not go through the whole of the Estimates in the same way?

Mr. DEAKIN.—Because the general Estimates relate to people whose rights are safeguarded, so far as we are concerned, by a Public Service Act. That can be dealt with under the provisions of the Act. The Governor-General, however, can be provided for only in this way. He is the head of the State, and it would be unfair to refuse to give to him the same guarantee that we extend to all the members of our public service.

Mr. McDONALD.—What right have we to pay this money at all?

Mr. DEAKIN.—That is another question that will be discussed at the proper time. We should be acting unjustly if we refused to extend to the Governor-General the same treatment that is accorded to every officer under the Public Service Act.

Mr. McDONALD.—Is he employed by us?

Mr. DEAKIN.—No; but it is now sought to place him in the same position of

security as is every public servant. Those who object to our present proposal are entitled to do so, but they must confess that they would be establishing a precedent entirely new in Australia.

Mr. JOSEPH COOK.—No; this is the new precedent.

Mr. DEAKIN.—The honorable member would have done credit to the profession to which I belong; but he has exhausted his subtleties unavailingly in this case. I would remind him that in every State provision is made for items exactly similar to those now before honorable members, and the sums of money voted to cover them amount year by year in the States of New South Wales and Victoria to a greater sum for each of the States Governors than is now asked on behalf of the Governor-General of the whole of Australia. A larger amount is set apart in Canada—partly by special appropriation—and a larger amount is provided in two of the States of Australia, whilst an almost equal amount is appropriated in one or two of the other States. The amount for which we are asking represents, in my opinion, the bed-rock of economy. It provides simply for the cost of the upkeep of the residences of the Governor-General, the offices and their necessary appurtenances connected with the discharge of his duties. I hope that when we come to consider, as we shall do very shortly, the various items included in the Estimates, honorable members will closely scrutinize them. I challenge them, however, to find any serious fault on the score of want of economy or simplicity.

Mr. GLYNN.—I should agree with the Minister if the provision for the second Government-house were struck out.

Mr. DEAKIN.—I would remind the honorable and learned member that both in New South Wales and Victoria a second Government-house is provided for the State Governor. In South Australia, also, as the honorable and learned member must be aware, a large sum of money has been expended in providing a country residence for the State Governor. In our proposals there is no mention of a country house for the Governor-General, and if we give His Excellency a second establishment, we shall provide for nothing more than is already enjoyed by the Governors of New South Wales, Victoria, Queensland, South Australia, and Western Australia.

AN HONORABLE MEMBER.—It is purely an accident that the second residence should be situated in Sydney.

Mr. DEAKIN.—No; it is not an accident at all; it is intentional.

Mr. POYNTON.—Has the Minister copies of the correspondence with reference to the occupancy of the Government-house, Sydney, by His Excellency the Governor-General?

Mr. DEAKIN.—Unfortunately I have only two copies. The choice of Sydney Government-house as a residence for His Excellency the Governor-General dates back to a period prior to the birth of the Commonwealth. As some honorable members appeared to suppose that there was a mystery in connexion with the negotiations which led up to that, I asked and obtained from the New South Wales Government the papers relating to the case. These I have now laid upon the table for the perusal of honorable members. At a very early period the Government of New South Wales were naturally concerned to see that at the birth of the Commonwealth the importance of New South Wales and of its metropolis, Sydney, were recognised. It was generally admitted throughout the Commonwealth that in view of the peculiar circumstances in regard to Sydney, and of the disability imposed by the terms of the Constitution upon that bright and beautiful city, its prominence and importance should be recognised by holding the inaugural celebration of the Commonwealth there. The celebration took place at Sydney, and was distinguished by a regal magnificence which will live in the memories of all who witnessed it. The action of the State of New South Wales was most generous, and no nation ever had its existence more fittingly inaugurated than did this Commonwealth on the 1st of January, 1901. Honorable members must recollect that on the very first day in the history of the Commonwealth we found the Governor-General in occupation of Government-house, Sydney.

Mr. WILKS.—Yes, and it cost the New South Wales Government £20,000 to fit it up for him.

Mr. DEAKIN.—The letters and telegrams exchanged between the Premier of New South Wales, and the Secretary of State for the Colonies, are now before honorable members. These show a legitimate desire on the part of New South

Wales, when it undertook the burden of conducting the celebrations at the birth of the Commonwealth, to be allowed to make provision for the residence of His Excellency the Governor-General in Sydney.

Mr. O'MALLEY.—That was "bossed" by Sir William Lyne.

Mr. DEAKIN.—Yes, and very well, too. As I have stated, the Governor-General was in occupation of the Government-house at Sydney at the time that the Commonwealth was inaugurated, and nothing was more natural than that the Government of New South Wales should invite him to stay in Sydney for at least a part of the time during which he was not detained in Melbourne by his parliamentary duties. That was a perfectly legitimate aspiration, one that is shared by every capital city in the Union, which ought to be gratified in every possible way. The only distinction between Sydney and Melbourne and other capitals lies in the fact that they are the two great centres of population, influence, commerce, and wealth of this Commonwealth. These two great cities are so much larger than any others within the Commonwealth that it is but natural that the Governor-General should be expected, in order to make the acquaintance of the people, to spend a longer time in these centres than in remote districts. The great metropolis, Sydney, no longer belongs to New South Wales, except in a narrow and restricted sense, but it constitutes the centre of a great part of this Commonwealth. It is an Australian city of which Australia is proud. The recognition of its importance is not due to the fact that it happens to be the great centre of a wealthy and enterprising State, but to the circumstance that it is one of the vital centres of the Commonwealth. We can no more ignore Sydney as a great power and population because of State sub-divisions, than we could ignore a large and important city within a State because of municipal sub-divisions. It appears to be abundantly easy, without taking into account the many charms which that metropolitan city can claim to possess, to justify the choice of Sydney as a place of residence of the Governor-General. No country house will be provided for His Excellency the Governor-General, but it is inevitable that he should visit Sydney, and spend a good deal of time there. It is desirable therefore, that he should be, so to speak,

Mr. O'MALLEY.—Will the Attorney-General leave the decision of the question to the American Consul (Mr. Bray)?

Mr. DEAKIN.—I am indebted to Mr. Bray for these figures. The Appropriation Act passed by Congress last year set apart £20,000 for expenditure upon White House, and in connexion with the President.

Mr. CONROY.—An additional £25,000 has to be credited to other departments.

Mr. DEAKIN.—I do not desire to compare America with Australia, but whenever an undue expenditure is cast upon the President of the United States on account of special entertainments, Congress makes special provision for them, just as this House voted a sum to compensate the Governor-General for the extraordinary outlay incurred by him in connexion with the visit of the Duke and Duchess of York. Of course, it is impossible to compare a nation which has developed such greatness as has the United States with a young community of yesterday—the Commonwealth of Australia.

Mr. HIGGINS.—Therefore, we ought to pay less.

Mr. DEAKIN.—I have no desire to institute any comparisons. At the same time, the United States cannot be quoted as an instance of greater economy than we are proposing to adopt if the conditions are considered. On the contrary, if all the circumstances are taken into account, it will be found that in this, as in every other respect, the United States exhibits a magnificent determination to maintain its prestige amongst the nations of the world. The question of the Governor-General's railway travelling has been referred to by the honorable member for South Australia, Mr. Poynton. In this connexion, I would say that if all the States Governors have hitherto been accorded the privilege of free railway travelling, I see no reason why that concession should be withdrawn. I decline to believe that it will be withdrawn.

Mr. POYNTON.—Have the Government received an assurance that they will not be charged for the Governor-General's railway travelling?

Mr. DEAKIN.—If it is withdrawn, the effect will be that the Governor-General would go nowhere in Australia other than to those places to which his official duties call him. If he is charged for that portion of his railway travelling, the expense will be borne by the Commonwealth. There is a

small sum included in the £1,000 which is set apart for official printing, &c., which would cover any slight outlay to which the Governor-General would be liable in that respect.

Mr. POYNTON.—Is it not a fact that the Government have already been billed for the Governor-General's railway travelling?

Mr. DEAKIN.—Yes; and when the States Governments have been informed that they must render those accounts to the Governor-General in person, and that they would be paid out of his private purse, they have withdrawn them. I have no reason to suppose that any new practice will be introduced in regard to this matter. Indeed I am confident that the same privilege which has been extended to the State Governors will also be extended to the Governor-General.

Mr. WATSON.—Every visitor from England with a title receives a free pass over the railways.

Mr. DEAKIN.—I anticipate that the Governor-General will always receive the same courtesy as has been meted out to the State Governors, and that the difficulty suggested will not arise. If it does, the Governor-General will travel nowhere but where his official duties call him, and then his expenses will be paid by the Commonwealth. But the cardinal question at issue is whether it is desirable to maintain a second Government-house in Sydney, when normal sessions of Parliament take the place of this extraordinary session, which I am informed by somebody with an historical turn of mind, surpasses in length any session, except that of the Long Parliament itself. Under the circumstances honorable members will realize that a second Government-house is no more than the status of the Governor-General of Australia demands, and no more than its people ought to provide. If they desire the position of the Commonwealth and of the chief representative of the Crown in Australia to be recognised throughout the States, they will at all events pay him the compliment of allowing him a second residence, such as many of the Governors of the States already enjoy.

Sir WILLIAM McMILLAN (Wentworth).—I confess that I have no fault to find with the manner in which this matter has been introduced. It is questionable whether the provision which it is sought to

that economy should be exercised, but I claim that any one who peruses the paper which was ordered to be printed upon the 7th of August, will admit that in regard to the maintenance of the vice-regal establishments in Sydney and Melbourne we have pared down to the bone. If it be possible to maintain those establishments for a less sum, it will be done; but I doubt whether it can be done. The most careful analysis of the outgoings shows that if the amounts which are now proposed do cover the expenses—and I think they will—they will allow of a very scanty margin indeed. Honorable members have only to compare those amounts with the liberal appropriations made by this House in 1901, in order to realize the great reductions which have been made. Of course, the sums specified in this motion are only in the nature of estimates, but there is no reason to suppose that they will be exceeded by more than a little, if they are exceeded at all. Taking for granted that the question of the desirableness of maintaining a second Government-house is the one to be debated, I hope honorable members will remember that after all there are considerations which have a utilitarian bearing upon it, although they may not appear to do so. The Governor-General is the chief officer and representative of the Commonwealth in Australia, and it is not becoming that he should occupy an inferior position to the Governors of the States through which he passes, or in which he lives. If we insist that the chief officer of the Crown in Australia, whilst residing in Victoria or spending a portion of his time in New South Wales, shall, in discharging the duties and maintaining the dignities of his office, be confined to a much narrower expenditure than the States Governor are we shall be placing ourselves in a very invidious position indeed. Those who lessen the standing and impressiveness of the Governor-General, should remember that they are lessening the standing and impressiveness of the Commonwealth. I admit that the utmost impressiveness is consistent with extreme simplicity.

Mr. O'MALLEY.—Surely President Roosevelt is as big a man as the Governor-General of Australia.

Mr. DEAKIN.—What amount does he receive?

Mr. O'MALLEY.—10,000, and no more.

It will 43 P

Mr. DEAKIN.—The honorable member ought to know better. According to the United States Estimates for 1901, he not only receives a salary of £10,000, but a further sum of £20,000 for office allowances.

Mr. O'MALLEY.—He does not receive a single penny for the maintenance of the White House.

Mr. DEAKIN.—The honorable member is in error. A recent number of a very excellent American magazine, *The World's Work*—a semi-scientific publication—contains an article upon the White House, and goes to show that to light it and the grounds alone costs £2,600, whilst the other expenditure upon that residence amounts to £6,000 more.

Mr. O'MALLEY.—That money is voted in connexion with certain offices.

Mr. DEAKIN.—There are offices in the Government-houses at Sydney and Melbourne in which work is transacted, for which money is voted in the United States. In addition to the salary of £10,000 which the President of the United States receives, I find that a further sum of £10,000 is provided to cover the salaries of officers who work at White House—such officers as the Private Secretary to the President, who has two assistant private secretaries. In fact, the United States Government pays for the President's staff.

Mr. O'MALLEY.—Is not the Attorney-General speaking of the Internal department?

Mr. DEAKIN.—No, I am speaking of the private secretaries to the President. I have no wish, however, to compare a country containing a population of 70,000,000 with one containing only 4,000,000.

Mr. GLYNN.—The two cases are not analogous.

Mr. DEAKIN.—No; but they are analogous to this extent—that though the Constitution of the United States casts far heavier duties upon its President than are imposed by our Constitution upon our Governor-General, yet in spite of the limitation of the salary of the former, it has been found necessary to provide allowances which actually include his carriage horses.

Mr. O'MALLEY.—That is the Internal department.

Mr. DEAKIN.—The President of the United States has horses and grooms provided for him.

Mr. O'MALLEY.—Will the Attorney-General leave the decision of the question to the American Consul (Mr. Bray)?

Mr. DEAKIN.—I am indebted to Mr. Bray for these figures. The Appropriation Act passed by Congress last year set apart £20,000 for expenditure upon White House, and in connexion with the President.

Mr. CONROY.—An additional £25,000 has to be credited to other departments.

Mr. DEAKIN.—I do not desire to compare America with Australia, but whenever an undue expenditure is cast upon the President of the United States on account of special entertainments, Congress makes special provision for them, just as this House voted a sum to compensate the Governor-General for the extraordinary outlay incurred by him in connexion with the visit of the Duke and Duchess of York. Of course, it is impossible to compare a nation which has developed such greatness as has the United States with a young community of yesterday—the Commonwealth of Australia.

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Sir WILLIAM McMILLAN (Wentworth).—I confess that I have no fault to find with the manner in which this matter has been introduced. It is questionable whether the provision which it is sought to

make for the maintenance of two Government houses should be immediately embodied in a Bill, or whether we should agree to the suggestion of the Attorney-General to await the results of a year's experience before deciding to place it within a statutory appropriation. No honorable member representing New South Wales can find fault with the kind and generous tone of the Attorney-General's address in referring to the necessity for the upkeep of a Government-house in Sydney. Indeed, this preliminary debate ought not to be necessary, because most of us agree that in connexion with the Governor-General's position some allowances must be voted. But it is very clear from the apologetic utterance of the Attorney-General, and from a great many murmurings which we have heard during the past few weeks, that an attempt is to be made to eliminate from these Estimates the amount necessary for the upkeep of a Government-house in Sydney. In to-day's newspapers there appears a sort of inspired paragraph, in which it is stated that a member of this House says that he intends to uproot the whole of this matter, and to go into the correspondence between the Minister for Home Affairs, when Prime Minister of New South Wales, and the Imperial Government. Of course he will be perfectly within his rights in doing that. In my opinion, the time has arrived for taking an historical retrospect of the whole matter. I have always deplored the fact that federation did not come about as the result of the first referendum. I believe that a great many of the difficulties which beset us now in regard to the upkeep of the Government-houses of Sydney and Melbourne, and the establishment here of the departmental and Parliamentary offices, would have been obviated if the people of New South Wales could have been prevailed upon to accept the Constitution Bill on the first referendum. By not doing so, and by insisting upon a Constitution which is not the complete embodiment of the views of the Convention in which the various States were represented, they for the first time in the history of this movement condescended to bargaining.

Mr. JOSEPH COOK.—The whole thing was a bargain.

Sir WILLIAM McMILLAN.—Very little has, in my private opinion, come of the bargaining. But whether it was right or wrong, a bargain was made, the chief

compact in which was that the federal capital should be situated in the State of New South Wales, and, inferentially, that the Commonwealth Government should be carried on from there. There are provisions in the Constitution which—although we have the right, by following a certain course of procedure, and obtaining the popular approval, to amend—could not be changed without committing a dishonorable breach of the arrangements between the States. One cannot imagine the possibility of a referendum for dissolving the union, nor can we imagine a referendum for altering that provision in the Constitution which says that no territory shall be taken from a State to form another State without the consent of its people. Certain provisions of the Constitution are compacts between the States, affecting their rights *qua* States, which must be honourably observed, and which we cannot think would be amended. I ask honorable members now to consider the question with which we are dealing as a compact with New South Wales. There can be no doubt that if that compact had not been made, the first Parliament would have met in New South Wales. The position of that State was recognised by the fact that the Governor-General first landed there, and that the Commonwealth was inaugurated there. In order that the Governor-General might have a fitting reception, and that proper arrangements might be made for his stay there, the then Premier of the State—the Minister for Home Affairs—placed the Government-house in Sydney at his disposal.

Sir WILLIAM LYNE.—The State Governor gave up his residence there so that it might be done.

Sir WILLIAM McMILLAN.—Yes. I have felt, as no doubt many other honorable members have done, that this particular compact would bring about some curious results. I want honorable members, however, to understand the whole position, in order to bring them back to the true federal feeling in the matter. We have been told that federation has enlarged our powers of self-government; I hope that it has enlarged our ideas of self-government. We knew directly it was decided that the first Parliament should meet in Melbourne that the Executive offices must be established there. Has there been one grumble from New South Wales because the whole administrative machinery of the Commonwealth has been

directed from Melbourne? The only growl that we have heard has come from a member of another place, who objected to the furnishing of a very humble edifice in Sydney to house Commonwealth Ministers when they happened to be doing executive duty there. That unfederal spirit is deplorable. It is our duty to foster in every way the federal spirit. We are here, not merely to pass laws for the Government of the Commonwealth, but also to give life and instinct to the federal spirit. I have been glad to notice during the fifteen months for which we have been sitting, that there has been no attempt by the representatives of the larger States to do anything unfair in the interests of the smaller States. On the contrary, the most generous disposition has been shown towards the interests of Queensland and Tasmania—Western Australia, because of her Tariff arrangements, not having been so greatly concerned. In the consideration of the question now before us we are, to some extent, affected by the fact that this session is apparently interminable; but does any one imagine that we shall ever have another like it? Is it not fair to suppose that in the future the extreme duration of a session will be not more than six months? Of course, the Executive Government and its officers must, during the session, be where Parliament is sitting; but during the recess, if the spirit and, I think, the letter of the compact is carried out, Parliament should be only too glad to allow the Governor-General to reside in that State in which the future federal capital is to be. It must be remembered that this is not a matter of pounds, shillings, and pence. But, in any case, the amount involved is only about £2,000, and if it is the desire of the people of New South Wales that the Governor-General shall reside in their State during part of the year, we ought to freely grant the money. There was a clear compact, and it has been clearly understood. The expenditure for the up-keep of the Government-houses has been reduced to, I think, as small an amount as the expenditure of the States in that direction. It must not be forgotten that the Governor of New South Wales, instead of living in the original Government-house, has removed to another residence provided by the State. While it is desirable that the site of the federal capital should be determined upon as soon as possible, a certain period must elapse even after it is determined

Sir William McMillan.

upon, and perhaps, after. Parliament has begun to meet there, before a residence for the Governor-General can be provided there; and as New South Wales has agreed that Parliament shall, in the meantime, sit in Melbourne, and that the whole machinery of the Commonwealth shall be managed from Melbourne, it would be contemptible to refuse to vote the paltry sum of £2,000 for the up-keep of the Government-house at the metropolis of that State, which is the most populous, and, in many respects, because of its area and position, the most important. It may be said that the Executive Council meetings can be held only where the Governor-General happens to be residing. But honorable members know that Executive Council meetings may be held anywhere without deranging the machinery of government. Then, too, it is our boast that modern appliances have almost annihilated space, and we know that the Governor-General could leave Sydney one evening and be here in Melbourne to attend a meeting of the Executive Council next morning if necessary. Then, again, although the Executive may have their offices in Melbourne, Ministers will have to visit New South Wales to deal with many important matters. I am willing to say that this sum should be voted merely on the ground that the people of New South Wales desire that the Governor-General shall reside in their State for a portion of the year.

Mr. JOSEPH COOK.—They have a right to require that.

Sir WILLIAM McMILLAN. — Yes. We want to foster the federal spirit throughout Australia. Federation could not have taken place if New South Wales had refused to join the union. That State, however, accepted the Constitution upon certain terms, one of which was that the federal capital should be situated in New South Wales, but not within 100 miles of Sydney—a very unfortunate limitation. Could any one have imagined, eighteen months ago, that this Parliament would refuse to recognise the status of New South Wales, and decline to vote a sum of money for the up-keep of the Government-house in Sydney, upon which the Government of New South Wales have spent £20,000? If we do not vote this sum, we may place ourselves in a very undignified and reprehensible position. We cannot prevent the Governor-General from travelling, as he

may think it his duty to do, throughout the States, or from residing in New South Wales, nor can we prevent the New South Wales Government from offering to him any accommodation they may think fit. It was contended a short time ago that it would be undignified for the Governor-General to accept an allowance from a State Parliament. The contention in Victoria when a similar Bill was introduced was, that if a Government-house had to be maintained anywhere it was the Federal, and not the State Government that should maintain; that the Governor-General, in his position, ought not to be beholden to any State for that kind of hospitality; and that our dignity and our position necessitated the other course. Now, what are we doing? We are going back upon our own principles. After having scouted the proposal of New South Wales because we, forsooth, were willing to provide the money, we are saying now that, having stopped that little arrangement, we do not intend to do anything ourselves.

Mr. WILKS.—What about the constitutional right of New South Wales?

Sir WILLIAM McMILLAN.—The constitutional right of New South Wales is to the capital site, whenever that is decided. I do not know that, as a matter of hard logic, we can deduce anything with regard to Government-house in Sydney to which there could not be an answer. But I do not think we ought to deal with the question in that pettifogging way. We have to deal with this question from a purely federal stand-point, in view of the understanding which was come to, and which to a large extent brought about federation, and we have to deal with it from the highest point of view with a knowledge of the sensitive feelings of the people of the great mother State of Australia. Because—and this is the last word I shall say upon this matter—I would warn honorable members that if by their vote they refuse to carry this small sum for the upkeep of Government-house in Sydney, they will cause an extreme feeling of irritation in that State. There have been many things to create a feeling of irritation there up to the present time. I can say for myself that that is no threat or anything of that kind, because I am one of those federalists who believe that no matter what has happened, and no matter what could happen, union, above all things, is necessary

for our national existence. Therefore, while it makes no difference to me as a federalist, I say the duty of this Parliament and of this Government should be to do everything that will allay any feeling of irritation, which, in many respects, is unavoidable in bringing into operation a new system such as that of the Commonwealth. When it is considered that, in allaying the irritation of the people of New South Wales, we shall be carrying out a compact, and that the carrying out of that compact will involve an expense of only £2,000 a year, the question is scarcely arguable.

Mr. SALMON (Laanecoorie).—The essence of this question is whether, in the opinion of this Parliament, it is desirable that the Commonwealth shall be made chargeable with the upkeep of more than one Government-house for its Governor-General. When I spoke about this matter on a previous occasion, I very warmly advocated the claim then put forward by the Government, that the residence or residences of the Governor-General, which were given to us rent free by the States, should be kept in a thorough and complete state of repair at the expense of the Commonwealth. Ever since this question has been before the Chamber, I have endeavoured to discover why it was thought necessary that, anterior to the establishment of the federal capital, there should be more than one residence provided for the Governor-General. I have my own opinion about it—an opinion formed upon knowledge which came to me in a certain capacity—that previous to the setting out of the Governor-General from England, it was his intention to land at Melbourne. There is no doubt that it was the intention of Lord Hopetoun to land at Melbourne, but after he left England certain pressure was brought to bear upon the Home Government which caused an alteration in his plans.

Mr. CONROY.—This Parliament is not responsible for that, because it was not in existence at the time.

Mr. SALMON.—Certainly not; and I am very anxious that this Parliament should not be placed in the position of being compelled to accept a responsibility which it did not incur. I asked for certain papers to be placed before honorable members. Those papers for a long time were not available; but they are available to-day, or, I should say, that a certain number of them are available. I regret that owing to circumstances, over which

we have absolutely no control, we have not been able to get the whole of the correspondence that took place between the Prime Minister, the Governor of New South Wales, and the Secretary of State for the Colonies, with regard to the residences of the Governor-General, his landing, and so forth. But it is patent from the papers that we have at our disposal, that there were two conditions made by the Secretary of State for the Colonies. The first condition was that the whole of the States interested should be agreeable, and the second condition was that the extra expense should be borne by the States interested. The first of these conditions was carried out. Communications were opened up between the Premier of New South Wales and the Premiers of the other States of the Commonwealth, and, without exception, the new arrangements with regard to landing, the issue of the proclamation, and so on, were agreed to by the States, and perhaps also the question of residence hanging upon that. The second condition, however, was fulfilled only by the State of New South Wales. In the State of Victoria a Bill was brought down for the purpose, but it was rejected on its second reading, and it would have been rejected by a very much larger majority than it was, had it not been for the existence of the feeling of fellowship and comradeship amongst the States which the honorable member for Wentworth desires so much to have expressed.

Mr. HIGGINS.—Did that Bill contain a specific reference to Government-house in Sydney?

Mr. MAUGER.—It proposed a certain sum to make up £10,000.

Mr. SALMON.—It was for the set purpose of providing a proportion of the amount estimated to be required for the Governor-General's establishment. In New South Wales the Act passed provided for a sum of over £2,000.

Sir WILLIAM LYNE.—I should like to know from the honorable member what papers are missing.

Mr. SALMON.—If the Minister for Home Affairs will read the letter from the Governor of New South Wales, he will see that the letters are not complete.

Sir WILLIAM LYNE.—Where are they?

Mr. SALMON.—I am sure I do not know; I wish I did. Perhaps the Minister for Home Affairs can tell us more of the

matter than any one else, because he happened to be Premier of New South Wales at the time the correspondence took place.

Sir WILLIAM LYNE.—I can tell the honorable member that these papers are very nearly, if not quite, complete. I have read them through and through. There may be one or two more letters in the correspondence; they are not important, and I do not know that there are any more.

Mr. SALMON.—I would ask the honorable gentleman to read the papers, and he will see that they do not present a continuous history of the negotiations which must have been going on. I must say that I had some experience of the Minister for Home Affairs when in office as Premier of New South Wales at this particular time, and New South Wales never had a more valiant champion, or one more watchful of her interests, than she had at that time in the honorable gentleman. We thought that we in Victoria were pretty smart, but we found ourselves, on this occasion, at all events, completely outpaced by the then Premier of New South Wales.

Mr. BROWN.—The honorable member is trying to make up for it now by opposing this proposal.

Mr. SALMON.—The honorable member is in error in supposing that. I say that the second condition imposed by the Secretary of State for the Colonies has not been complied with. That right honorable gentleman made it perfectly clear that there were two things to be done before a second residence would be agreed to. Only one of those things has been done.

Sir WILLIAM LYNE.—Which is the other?

Mr. SALMON.—The condition that the necessary money should be provided.

Sir WILLIAM LYNE.—It is provided by an Act of the Parliament of New South Wales.

Mr. McCOLL.—Have the New South Wales Government ever paid it?

Sir WILLIAM LYNE.—No; because the Commonwealth Government objected to it.

Mr. SALMON.—Exactly; the Commonwealth Government took it upon themselves to break the bargain entered into between the Secretary of State for the Colonies and the Premier of New South Wales. That is really what it amounts to. Now we are implored not to break an implied contract entered into between a previous Premier of New South Wales, Mr. Reid, and a Premier of Victoria, Sir George Turner.

Mr. JOSEPH COOK.—And provisionally entered into by the Federal Government.

Mr. SALMON.—By the signing of a certain document?

Mr. JOSEPH COOK.—By undertaking the responsibility for the up-keep of Government-house.

Mr. SALMON.—They did that, I know, but, in doing so, in my opinion, they broke the spirit of the agreement made between the Secretary of State for the Colonies and the Premier of New South Wales.

Mr. CONROY.—The same people will have to pay in any case.

Mr. SALMON.—I am quite aware of that. The honorable member for Wentworth again fell into the error of quoting the Constitution as making provision for the seat of government for the Commonwealth in Sydney. But the Constitution, in section 125, expressly forbids the seat of government to be in Sydney. In contending that the rights of New South Wales in this particular must be regarded by the up-keep of a second establishment for the Governor-General in Sydney for a certain period of the year, and by the styling of Sydney as "the seat of government," we are contending for something which is not contained in the Constitution.

Mr. JOSEPH COOK.—No one is contending for that.

Mr. SALMON.—The honorable member for Wentworth indicated that in his argument. Perhaps the honorable member for Parramatta has never said that Sydney should be the seat of government during the time when Parliament is not sitting?

Mr. WILKS.—I will say it to give the honorable member a start.

Mr. SALMON.—I knew that so loyal a son of New South Wales would say it, but I have heard it said over and over again by different honorable members, and especially by honorable members from New South Wales. I do not intend to labour this question. I feel that a mistake has been made by the Government in arranging for more than one residence for the Governor-General. This is entirely opposed to the compact entered into between the Colonial-office and the Premier of New South Wales, and it is against the spirit of the bargain made in connexion with the establishment of the seat of government. No one objects more strongly than I do to the bargain that was made by the State Premiers between the first referendum and the second. That

understanding ought never to have been entered into. I would rather have seen federation deferred for years, than that the work of the convention should have been broken up by the resolution arrived at at an illegal meeting.

Mr. JOSEPH COOK.—The honorable member is an anti-federalist.

Mr. SALMON.—The honorable member knows better than that. I am not an anti-federalist, but at the same time I am not a federalist at any price, and I never was. I prize the federal union very highly, and I hope that it will be long continued. But in order that it may be based upon a solid foundation, I hope to see greater interchanges of friendliness between the States than have taken place recently. The honorable member for Wentworth took it upon himself to warn us that the cup of irritation was full in New South Wales.

Mr. WILKS.—So it is, full to the brim.

Mr. SALMON.—I would remind the honorable member that there are many ardent federalists in Victoria who never believed for a moment that so little sympathy would be shown towards our industries, and towards our bone and sinew by the representatives of the other States. We have not asked for the expenditure of public money upon the maintenance of Government-houses, but we have desired the continuance of the support and assistance our industrial workers enjoyed in the past, which we had a right to expect from the federation. Before the honorable member for Wentworth takes upon himself the mantle of a modern Jeremiah he should remember what has been done by honorable members from his own State to irritate the manufacturers and operatives of Victoria almost beyond the point of endurance by denying them the right to live within the Commonwealth, and by attempting to take their occupations from them. I honour and respect the State of New South Wales. I recognise the magnificent work she has done, and I shall always look upon her as the parent State. Some Victorians object to this title. They are content that New South Wales should be regarded as the "senior" or even as the "original" State, but they object to her being called the parent State. Personally, I am prepared to give to New South Wales all that respect and regard that any one would give to a parent, but at the same time I ask that more consideration should be shown to the other States by her representatives. I

can assure the honorable member for Wentworth that his action, and that of honorable members associated with him, has done more than anything else to make the federal union distasteful to the people of Victoria. I desire to deal with these questions in the interests of the whole Commonwealth, and I should be very sorry to assist one State at the expense of the others. I do not consider that the appropriations proposed by the Government are excessive. I agree with the Acting Prime Minister that we have at last got down to bed-rock in the matter of these expenses, but I regret that I shall have to vote in support of my opinion that it is not desirable that there should be more than one residence for the Governor-General within the Commonwealth. If it were desired, to-morrow, to remove the residence of His Excellency from Melbourne to Sydney, I should not offer any opposition.

Sir WILLIAM McMILLAN. — Does the honorable member wish His Excellency to live in a hotel when he is in Sydney?

Mr. SALMON.—No, but I regard the principle embodied in the proposal that the Governor-General shall have two residences as opposed to the Constitution, and, also, to the well-being of the Commonwealth, and I shall have to vote against it. Apart from this, the Government proposals are as economical as we could expect, and I am sorry to find myself called upon to record what may be regarded as an anti-federal vote. It is not with any anti-federal spirit that my vote will be given, because if Melbourne, instead of Sydney, were affected, I should act in exactly the same way.

Mr. WILKS (Dalley).—The honorable member for Laanecoorie, who professes to be a federalist, has expressed regret that he should be called upon to give what may seem to be an anti-federal vote, but his reasons for his action do not seem to be sufficient. He evidently bases his objection to the proposed vote for the maintenance of Government-house at Sydney as a second residence for the Governor-General upon the fact that, although one portion of the compact between the States has been kept, the second part has not been carried out. New South Wales has always been ready to carry out her part of the compact, under which the States were to contribute £10,000 towards the expenses of the Governor-General; but Victoria has been found wanting in this respect.

Mr. TUDOR.—Victoria made no compact.

Mr. WILKS.—If the honorable member reads the correspondence laid upon the table by the Minister he will find that there was a compact, because in the communications sent to the Secretary of State for the Colonies it was stated that the States would provide £10,000.

Mr. HIGGINS.—There is not one word in the correspondence regarding any compact having been entered into by the Government of Victoria.

Mr. WILKS.—It is stated that the sum of £10,000 would be contributed by the States.

Mr. ISAACS.—That is not what the honorable member stated, and he should not make a serious charge against any State without having the best of evidence.

Mr. WILKS.—The honorable members who represent Victoria seem to think that New South Wales should be prepared to make all sorts of sacrifices, but that the compact with reference to the maintenance of the residence for the Governor-General in Sydney should not be carried out because £10,000 is not forthcoming from the States. For the sake of the paltry £2,000 which is required for the upkeep of Government-house in Sydney, the Governor-General is to be placed in an invidious position and faith is to be broken with New South Wales. The Government of that State spent £20,000 in renovating Government-house in Sydney to fit it for the accommodation of the Governor-General, and provided another residence for the State Governor. Government-house in Sydney has been placed in the possession of the Commonwealth Government, and whether we like it or not we shall have to pay for the upkeep of the establishment. The fact of the matter is that the people of Melbourne do not wish to lose the Governor-General. They do not wish to have more than one residence provided for him, and they are basing their objections upon the ground of the expense that will be involved. The Victorians utter the federal cry only when it suits them, and they fight for their own State entirely. I now propose to take a lesson from them, and to uphold the rights of the State which I represent. I do not care whether my action is regarded as federal or anti-federal. When the Minister for Home Affairs established the federal offices in Sydney, a great outcry was raised in this House and in the Melbourne press, but I am glad that the Minister was true to

the interests of the Commonwealth. The motion now before us is evidently intended to feel the pulse of the House.

Mr. McCAY.—Is not that a proper thing to do?

Mr. WILKS.—No, not in this way. The Ministry should take the responsibility of placing the proposed vote upon the Estimates in the ordinary way. We have heard a great deal about federalism, but that the mantle of the greatest federalist whom Australia has known—I refer to the late Sir Henry Parkes—has not fallen upon the shoulders of the Prime Minister is evidenced by his action in recently proposing that an annual allowance of £8,000 should be granted to the Governor-General. If any State is entitled to grumble, because of the neglect to carry out the federal compact, undoubtedly it is New South Wales. If any city throughout the Commonwealth made great sacrifices in order that New South Wales might join the Union, certainly it was Sydney. In this connexion I would remind those who taunt New South Wales, that it is from that State that we derive the biggest share of our revenue. Indeed, the State of New South Wales stands before the world as the banker of the Union. I do not wish to raise the cry of New South Wales *versus* Victoria, but I cannot shut my eyes to the fact that both the representatives and press of Victoria are endeavouring, by every means possible, to retain the residence of the Governor-General in this State. If they do not openly declare themselves, they suggest that we should have the federal capital established upon the movable tent system. If that system be adopted I am quite sure that the representatives of South Australia will want to know where Adelaide comes in. At the inauguration of the Commonwealth the Governor-General landed in New South Wales, and took up his residence there. His establishment was furnished by an outlay of £20,000 on the part of the State Government. That expenditure was incurred not simply for the purpose of providing him with a residence for a day or two, but of providing him with a residence during the recess. Naturally whilst Parliament is in session he will reside in Melbourne, so that under ordinary circumstances the people of Victoria would have had the benefit of his presence for a clear period of sixteen months. Now, however, that the people of the Commonwealth

are asked to provide £2,077 to maintain the vice-regal establishment in Sydney, some honorable members object. I am satisfied that their opposition to the proposal is not the result of the outlay which it involves. They do not want a second residence.

Mr. HIGGINS.—We object to the principle of maintaining two residences, irrespective of where they may be located.

Mr. WILKS.—I am satisfied that the average elector does not care where the Governor-General resides. He does not share in vice-regal entertainments. He is not amongst the chosen few who frequent Government-house. But I object to any abrogation of the federal compact. My reasons for believing that such a compact was made are: that the present Minister for Home Affairs arranged that the Governor-General should land in New South Wales; that the Commonwealth should be inaugurated there; that £20,000 should be expended in furnishing the State Government-house; and that His Excellency should reside there when Parliament was not in session. These facts were within the knowledge of every State Parliament throughout the Commonwealth.

Mr. ISAACS.—Why did New South Wales not provide the money necessary for the up-keep of the establishment?

Mr. WILKS.—She did, and she now offers to contribute a larger sum for that purpose than is asked from the remainder of the Commonwealth. The Government, however, have informed the Imperial authorities, in a despatch, that they will not allow any of the States to specially contribute to the maintenance of the Governor-General's establishment. The largest share of the £2,000 required for the up-keep of the Sydney residence will be exacted from New South Wales. Personally, I am satisfied that if we allow the Governor-General to remove his residence from that State, we shall hinder the establishment of the federal capital. The opposition to this proposal springs from a desire to prevent the speedy settlement of the federal capital site. It was a condition embodied in the Constitution that the capital should be in New South Wales territory, and naturally that State is grieved to find that after eighteen months, apart from two little trips to the country, nothing whatever has been done to carry out the terms of that compact. Is it surprising that I feel warm upon this

subject? I noticed in the newspapers of to-day the following statement by a writer in the *London Times* :—

A suggestion has, I believe, been made that Lord Tennyson should spend part of his time as Acting Governor-General in Sydney. Here I must speak guardedly, because I have nothing but rumour to go upon ; but among the people in parliamentary circles who are interested in colonial affairs it is reported that a communication has been made by the Colonial-office to the State Government to the effect that, inasmuch as the Federal Government object to the Governor-General receiving any payment except from the Commonwealth Government, the Imperial authorities do not think that he ought to be called upon to keep up two Government-houses on his present salary.

Apparently, in those circles which are in touch with the Colonial-office, the impression is that the Governor-General cannot maintain two residences upon an annual salary of £10,000. Hence the reason why the Ministry desire to obtain an expression of opinion upon the matter by this House. I desire that the two vice-regal establishments shall be maintained in order that the creation of the federal capital shall be expedited. At the same time I am very sorry that the Attorney-General has adopted this method of ascertaining the pulse of the committee upon the matter. To my mind, the Government should have adopted the bold course of placing the necessary amount upon the Estimates, relying upon honorable members to vote it.

Mr. O'MALLEY (Tasmania).—I regret that our friends from the great State of New South Wales have again raised the question of sectionalism, because there is no intention whatever on the part of this committee to do an injustice to that State. I can assure them that no honorable member intends to do anything which would cause the weakest child in New South Wales to shed a tear. I may further add that Tasmania is not anxious that the Governor-General shall reside in that State, for while he will always be a most estimable gentleman, he is undoubtedly a most expensive "show." He is a good deal like a man in America who owned a menagerie. After the menagerie had passed into the possession of the sheriff, the latter had to search out the owner and request him to take the elephants, snakes, &c., off his hands, as he did not know what to do with them. Similarly, Tasmania would not know what to do with the Governor-General. There is something about the utterances of the Attorney-General

which fairly electrifies the House. There is an indescribable fascination about his eloquence. But I wish to correct his statements with regard to the expenditure upon the White House. The White House belongs to the Internal department. The President of the United States is allowed a salary of £10,000 a year, out of which he entertains the foreign ambassadors, his Ministers, and other important persons ; but the beautiful grounds round the White House, and the building itself, are maintained at the expense of the Government. In the same way, the Commonwealth should undertake the upkeep of the Government-house here. I oppose their present proposal, however, because of the way in which they have gone about the whole thing. If the motion is carried, no honorable member will be able in the future to criticise the actions or conduct of the Governor-General ; but, as members of this House, we are the custodians of the people's purse, and, therefore, should not be debarred from criticising the conduct of any official in the Commonwealth service, from the Governor-General down to the door-keeper of Parliament House. I shall never allow myself to be deprived of that right. It is a right given to us by the Constitution, and a right fought for by our forefathers, and won at such places as Bunker Hill and Lexington. Only a few days ago the papers announced that His Majesty the King had given a feast to 500,000 paupers, gathered together from the four corners of London. All honour to the King for his charity. But the conditions which produced those paupers should not be allowed to obtain in the Commonwealth. It is one of the curses of Australia that we have allowed to be introduced here feudalistic titles and all the despotism of privilege. We are to-day struggling against the spirit which democracy has for years vainly endeavoured to destroy—against a monster generated by corruption and nursed on the bosom of privilege. These grants mean the upholding of caste and rank, and it is caste and rank which have damned and blasted the European nations, so that now they are falling behind in the progress of the world. I am going to oppose this proposal, but if it is determined to provide for the upkeep of the Government-house in Melbourne, I shall not vote against the proposal to provide for the upkeep of Government-house in Sydney, because I think an agreement ought to be kept. But

these antiquated systems which we are introducing will plunge us into a bondage more terrible than the darkness of Egypt. Like conditions everywhere produce like results. We have no pauperism in Australia now, because we are younger and bigger than other countries. But danger is lurking ahead. In my opinion it would be better to wipe the whole show out, and let any business man be Governor. McAlister, the Governor of Toronto, and the best man they have had, gets only £2,000 a year. The Governor of New York gets only £3,000 a year, although there are 7,000,000 people in that State; while the President of the Republic of Switzerland upholds the dignity of his State on a salary of £540 a year. The great curse of these aristocratic and quasi-aristocratic countries is that they must pile up the agony. They must gild the rooster, and have the diamonds glittering, or else they think they cannot have dignity. I look upon all institutions for the development of caste and rank as nothing less than gilded, stagnant lakes into which the rivers of privilege empty.

Mr. CONROY (Werriwa).—I am afraid that the discussion is becoming rather academic. In the first place, I am of opinion that the House is bound by the arrangement entered into by the Government with the Government of New South Wales, and that for three years at least we must vote such a sum as will provide for the upkeep of the Sydney Government-house. It must be admitted, I think, that we shall have to provide for the upkeep of at least one Government-house, and it cannot be said that the amount set down for expenditure in connexion with the Melbourne Government-house is too large. It must be remembered that the house and grounds must be kept in good order whether the Governor-General resides there or not, because a valuable State property cannot be allowed to fall into disrepair. I find that the whole amount set down for the maintenance of the Melbourne Government-house is only £3,100 a year, whereas the maintenance of these buildings and the adjacent gardens costs something like £4,000 a year. With regard to the Sydney Government-house, I am aware that some honorable members object to any expenditure there, upon the principle that there should not be two houses provided for the Governor-General. I understand that that is the position taken by the honorable

member for Laanecoorie. But it must be recollected that an arrangement was entered into by this Government from which we can hardly draw back. I am not now discussing whether it was a good or a bad arrangement; but, as the executive determined, before this Parliament was elected, to lease the building for three years, we must carry out the contract. Even if I thought that no contract had been entered into, but was informed that the people of New South Wales would feel that we were breaking faith with them if we did not agree to this expenditure, I would say that it is too trivial an amount to quarrel about. After all, it is merely a matter of bookkeeping. The people have to find the money in any case, whether it is paid by the State or by the Commonwealth Government. In my opinion the people of Sydney will think that faith has been broken with them to some extent if this expenditure is not sanctioned.

Mr. SAWERS.—I do not think that one man in six will trouble his head about the matter.

Mr. CONROY.—I am very glad to hear the honorable member say that, but there may be some cavil on the part of those who would have liked to see the Federal site chosen quickly, and who think that there has been undue delay in that matter. They will think that it will involve a still further delay, and that will give rise to irritation out of all proportion, in my opinion, to the object to be achieved. If after the establishment of the federal capital in New South Wales it were suggested that a Government-house should be provided at Melbourne, Adelaide, Brisbane, Hobart, or Perth, at a cost of £2,000 or £3,000 a year for each place, I should not dream for a moment of opposing it, if I were informed it would make the people of those States believe that faith was being kept with them. What honorable member on either side would oppose the expenditure of even £50,000 if he were assured that it would create harmony amongst the people of the Commonwealth? If after the establishment of the federal capital I were to be informed that the people of Victoria desired to have a Governor-General's residence established in Melbourne at a cost of £2,000 or £3,000, I should be inclined to say that if the expenditure of that small sum of money were necessary to induce half-a-million of people in this city, and

three-quarters of a million around them, to be satisfied that they were getting a fair share of attention, and that no provincialism was actuating the Government, I should be ready to vote for such a proposal. The question as to whether there should be only one Governor-General's residence is one which may be left to the debating schools. I am sure that if honorable members opposite understand that the effect of this proposal will be to remove discontent they will be prepared to vote for it. Though the honorable member for Laanecoorie and the honorable and learned member for Northern Melbourne may object on principle to the establishment of two residences for the Governor-General, they will be prepared to waive that objection if they are assured that it is necessary to do so in order to bring about content. To carry out an existing arrangement the establishment of a Government-house is asked for in the case of New South Wales, and I think that the Federal Government, whether it likes it or not, will be bound to pay this sum. We must remember that although we are keeping up a Government-house in Melbourne and another in Sydney, we are not paying a single penny of interest on the cost of construction of those houses. I suppose that the cost of construction of the Melbourne Government-house alone amounts to over £500,000. It has been placed at our disposal rent free, and it is surely not too much to ask that the Federal Government should bear the expense of maintaining it. Government-house in Sydney must have cost an equally large sum, and it is not too much to ask that the Federal Government should pay merely for maintenance and repairs. After all, is it not absolutely a matter of bookkeeping? The money will have to come from the people whether it is paid by the State or the Commonwealth Government. The time has gone past when we should deal with States as having separate interests in these matters. We as Federal members should recognise that a tax collected by a State is a tax paid by a citizen of the Commonwealth, and that a tax collected by the Commonwealth is at the same time a tax paid by a citizen of one of the States. I think the Estimates submitted in the resolution are extremely moderate, and no objection has been taken to either of them even by the honorable member for Laanecoorie. When the honorable member is assured by honorable members from New South Wales that any

Mr. Conroy.

departure from the agreement which has been made will be looked upon in that State as a breach of faith, he will not, I think, insist upon striking out the allowance for keeping up the Government-house in Sydney.

Mr. JOSEPH COOK (Parramatta).—This appears to me to be a very simple matter. It is not a question of whether we are in favour of two Government-houses or one. To my mind it is a question whether this Parliament is going to keep an honorable engagement entered into by the Federal Government. Let honorable members consider for a moment what has occurred: In New South Wales it was agreed that the Governor-General should be allowed to use Government-house in Sydney. That agreement was accepted by the Federal Government. There is an agreement extending over three years with the right of renewal for a further term of two years. Already a year's payment has been made on that account and on that basis, and no dissentient voice was raised in this House about the payment of that money. Not a single sound was heard in condemnation of the proposal until now, when honorable members suddenly wake up to find that they never have been in favour of the maintenance of two Government-houses, and that they never have been in favour as they say of the maintenance of the Government-house and grounds in Sydney. Is this the time when they should raise their protest? It seems to me that they have allowed the whole thing to go by the board. After eighteen months of actual occupation of the Government-house in Sydney they wake up to find that they do not approve of the agreement when one-half of its course has run.

Mr. HIGGINS. — We never knew before that there was any such bargain as an agreement to take the house for three years or five years.

Mr. JOSEPH COOK. — Does the honorable and learned member mean to tell me that he has never seen the correspondence that passed between the Prime Minister and the Premier of New South Wales relative to Government-house, Sydney?

Mr. HIGGINS.—Not until to-day.

Mr. JOSEPH COOK.—I am amazed to hear such a statement from the honorable and learned member. It is a singular omission on his part. It has been a matter of public notoriety. It has been published by the newspapers, and every newspaper in Melbourne has animadverted upon it.

Mr. HIGGINS.—If we are to believe all we see in the newspapers where shall we be?

Mr. JOSEPH COOK.—The honorable member will find that the matter has been referred to repeatedly in this House, and I venture to say that he is the only honorable member of the committee who has not been aware of it.

SEVERAL HONORABLE MEMBERS.—No.

Mr. JOSEPH COOK.—It is most unfortunate that a matter of public notoriety for eighteen months, and as to which questions have been multiplied in this House on many occasions, should not be known to the honorable member. It is a singular thing that honorable members, who are usually so wide awake, should not be acquainted with the details of this agreement. However, there it is in black and white, and the Prime Minister, on behalf of the Cabinet, has undertaken the upkeep of Government-house in Sydney for three years, with the right of renewing the agreement for another two years if necessary. On the faith of that agreement, the New South Wales Government have taken another large house for the State Governor.

Mr. HIGGINS.—That is a very strong point.

Mr. DEAKIN.—Another house has been taken for the State Governor in Victoria also.

Mr. L. E. GROOM.—For a definite term, too?

Mr. JOSEPH COOK.—Yes, for a definite term, and they have gone to great expense in refurnishing it and making it a suitable residence for the State Governor. If these circumstances do not constitute an absolutely binding agreement as between the Federal Government and the State of New South Wales, I should like to know what honorable members would regard as a binding agreement.

Mr. SAWERS. — Would the honorable member always approve of what the Cabinet does?

Mr. JOSEPH COOK.—No, the moment I find the Cabinet doing what I do not believe in, I take the proper steps to challenge their action. I do not allow them to get away with a matter for eighteen months, and after an arrangement has become almost hoary with age, then begin to repudiate it. It is useless to do so in the first place, and it seems to me that if the House should take the extreme step of not consenting to this agreement entered into by

the Federal Government, there is only one thing which that Government can do as honorable men, and that is to throw the responsibility upon the House of taking no further steps in regard to that agreement. Could any self-respecting Government carry on in the face of a vote like that? An agreement was entered into by the Federal Government, and there were numberless comments upon it in all the Melbourne newspapers, and I am surprised that honorable members living in Melbourne had not heard of it before. The question is, are we to faithfully carry out the agreement entered into between the Federal Government and New South Wales? This compact was made on account of the peculiar position New South Wales occupied in regard to the federal bargain. The Constitution does not provide that the seat of Government shall be in Melbourne. The whole of the arrangements for the meeting of Parliament in Melbourne, for the residence of the Governor-General there while Parliament is sitting, and for having the executive and administrative offices also situated there were dictated by convenience and were suggested by the temporary difficulty of fixing upon the site of the federal capital in New South Wales. The Constitution does not provide that the Governor-General shall reside in Melbourne, but it implies that a Government-house shall be maintained in Sydney, although this is not obligatory until the federal site is fixed within that State. The Federal Parliament is to meet in Melbourne only until all the final arrangements for locating it in its permanent home can be made, and the present arrangements are clearly of a temporary character. It is because of that portion of the bargain, by virtue of which New South Wales claims to have the federal capital situated within her territory, and the Governor-General resident in Sydney, that the arrangement for the temporary residence of His Excellency in Sydney was made, and we shall not carry out the spirit and intention of the Constitution unless we abide by that compact. I can scarcely bring myself to believe that the representatives of Victoria would be parties to any abrogation of the bargain entered into with New South Wales. I could understand it if the representatives of some of the smaller States were rather critical, but it does not lie in the mouths of the representatives of Victoria to cavil at

the Government proposals. An agreement has been made by this Parliament through the Government which it supports. A large expenditure has been incurred by the Government of New South Wales on the faith of that agreement, and I confidently appeal to honorable members to carry out the manifest spirit and intention of the Constitution.

Mr. HIGGINS (Northern Melbourne).—I think the expressions used in the motion now before us ought to be carefully considered, because I understand that certain action is to be taken by the Government upon the strength of it. We are told that our decision is to be conveyed to the Secretary of State for the Colonies, and that it will no doubt be communicated to those gentlemen who may be offered the position of Governor-General. The motion commits us to the maintenance of at least two residences for the Governor-General, without any limit as to time. It also—through the papers to which it refers—commits us to the establishment of the new office of Secretary to the Federal Executive Council, a proposal which has not previously been discussed here.

Mr. JOSEPH COOK.—I do not see why that provision should be included in the proposals.

Mr. DEAKIN.—It is placed there for the information of honorable members.

Mr. HIGGINS.—I feel also that the Government have carefully avoided pledging themselves not to ask for further votes.

Mr. DEAKIN.—I explained why the motion was framed in its present form.

Mr. HIGGINS.—I had not the advantage of hearing the Minister explaining that point. I hope that he quite understands I do not make the statement offensively; but there is nothing in the wording of the resolution to prevent the Government from coming down in a few months' time, and saying that the money voted is not sufficient for the purpose, and asking for a further appropriation. I feel that there is a great deal of force in the view put forward by the honorable member for Parramatta, namely, that the Federal Government is committed by the agreement entered into with the Government of New South Wales to the maintenance of Government-house at Sydney for a period of three, or, perhaps, five years. I heard of this for the first time to-day, because I much prefer to depend upon official communications than upon news published in the newspapers one day and perhaps withdrawn

the next. The Government have practically taken over Government-house in Sydney from 1st January, 1901, rent free, but subject to an obligation to maintain it in good order. Speaking with all respect, I think this was a mistake on the part of the Government. But it is not for us, unless we are prepared to take the extreme course of punishing the Government, to repudiate the bargain made by them. Under the circumstances, therefore, I suggest that we should ease the position, if we could limit the operation of the motion to the period ending December 31st, 1903. I am opposed to the maintenance of two Government-houses out of the Commonwealth funds. At the same time, I wish to assure some honorable members from New South Wales that they are mistaken in supposing that there is a desire on our part to keep the federal capital in Victoria. I speak with a good deal of knowledge when I say that it is not the desire of Victorians to keep the capital in their State. So far as I can gather from most of those with whom I come in contact, they would far rather have the capital in Sydney than create a new capital in the bush, as is now provided for under the Constitution.

Sir JOHN QUICK.—I object to that. Let us adhere to the Constitution.

Mr. HIGGINS.—My own opinion, and that of most of those with whom I have discussed this matter, is that the amendment of the Constitution made by the Premiers was weak, pawky, and inexpedient, and that, looking at the question broadly, it would have been much better had it been left to the Federal Parliament to decide upon the site of the federal capital. However, that is a matter of opinion. It is a pity that at the inception of our Commonwealth, when our finances are not in a particularly flourishing condition, we should be forced to incur the huge expense involved in creating a new federal capital. Another misapprehension which I desire to correct is one upon which the honorable member for Dalley laid great stress. He said that the Government of Victoria had repudiated a bargain into which they had entered with the Government of New South Wales for the contribution of £3,000 per annum towards the maintenance of the establishments of the Governor-General. There was no such bargain. I have the correspondence here, and there is no mention of any such compact on the part of the States Premiers. The alleged bargain has been referred to upon the public

platforms in many parts of New South Wales, but there is no evidence whatever to support the statement that such a compact was entered into. Some negotiations took place between the Premier of New South Wales and the Secretary of State for the Colonies with regard to the residence for the Governor-General being established in Sydney. Then there was some communication between Sir Edmund Barton, who was in London as a delegate from Australia at the time, and the Secretary of State for the Colonies as to the provision that should be made for the upkeep of the residence. Some correspondence took place between Sir Edmund Barton and the States Premiers, and eventually it would seem that the Premiers of the various States expressed themselves as not entertaining any objection to the Governor-General residing in Sydney when Parliament was not in session.

Sir WILLIAM McMILLAN.—But did not the Premier of Victoria submit to the State Parliament a Bill providing for a contribution by Victoria towards the expenses of the Governor-General's establishment?

Mr. HIGGINS.—I am speaking of a bargain.

Sir WILLIAM McMILLAN. — Was there not an arrangement between the Premiers that they should submit Bills to their respective Parliaments providing for the contributions?

Mr. HIGGINS.—Where is the bargain?

Sir WILLIAM McMILLAN.—The fact that the Premiers submitted Bills to their respective Parliaments shows that there was some arrangement.

Mr. HIGGINS.—We have now before us, presumably, the whole of the correspondence, and it does not disclose the slightest shadow of a bargain. The New South Wales Parliament voted £3,000 towards the expenses of the Governor-General's establishment, and a Bill providing for the payment of a similar sum was brought forward in the Victorian Parliament, and defeated by a very large majority. There was no bargain entered into between the States. The fact of a Minister introducing a Bill into Parliament does not necessarily imply that any bargain had been entered into to make any payment. The only fact of which the honorable member is sure is that a Bill was introduced. It may be that the Premier of Victoria promised to submit such a Bill, but that did not

pledge the State Parliament to pass it. I want those honorable members who declare that a bargain was made to point to the bargain. Where is it? It is very anti-federal, and it is certainly very galling to those who desire to keep faith with New South Wales to find such accusations continually being made. So far as I am concerned, although I disapproved of the provision which was inserted in the Constitution with regard to the federal capital, I am bound in honour to expedite the carrying out of that arrangement. I am quite sure that is our only duty. I am very glad that the Government have declined to allow the Governor-General to accept a special contribution from any State Government. I believe that in New South Wales a Bill was passed under which that State would have contributed £3,000 annually towards the vice-regal establishment. The preamble to the measure is—"Whereas it is thought desirable that this colony should contribute to raise the amount to be received by the Governor-General to £20,000," &c. May I ask the Attorney-General if any part of that sum of £3,000 has been received?

Mr. DEAKIN.—No.

Mr. HIGGINS.—I am very glad. The Governor-General's duties are towards the Commonwealth, and the Commonwealth should be his sole paymaster. I am pleased indeed that the Ministry have refused to sanction a special contribution from any State Government. Even had the offer emanated from all the States it ought to have been rejected. I agree with the Attorney-General that the sum which we are asked to vote in connexion with the upkeep of the Sydney Government-house constitutes "paring to the bone." There is no doubt that £2,077 is a very small sum for the maintenance of a huge establishment like that in Sydney. But it has been my invariable experience that, if one "pares to the bone," he has to spend more money afterwards. I believe in the old adage that "a stitch in time saves nine." If we sanction the expenditure of this £2,077 for the maintenance of the vice-regal establishment in Sydney, I am of opinion that the Government will subsequently come down and say—"It has been found that we cannot keep up the establishment for the amount voted; the committee have already affirmed the principle that there shall be two Government-houses, and we are under a moral obligation

to maintain the Government-house at Sydney in good condition for so many years." Last year I find that £2,500 was expended in the maintenance of and repairs to that establishment. This year, however, it is proposed to spend only £250 upon its maintenance. If that amount is sufficient for the purpose, how is it that £2,500 was expended last year, especially in view of the fact that £20,000 had been expended by the New South Wales Government in the first instance?

Mr. L. E. GROOM.—But that amount includes the maintenance of the grounds and cost of caretakers.

Mr. HIGGINS.—That fact is not set out. I should like to compare the vice-Regal establishment in Melbourne also. The repairs in connexion with the former cost £2,000 as against £500 expended upon its maintenance. The fittings and furniture cost £900 during one year, and £600 during the following year. Are these figures based upon expert evidence?

Mr. DEAKIN.—The establishments now are under the control of the department of Home Affairs, and each item has been carefully examined with the results which are before honorable members. I think that the amounts provided will be sufficient, but if they are not, they will be very nearly so.

Mr. HIGGINS.—With regard to the proposed Secretary to the Executive Council, I would point out that hitherto there has been no such office. If we pass this motion unqualified, I should like to know whether we are committed to the office?

Mr. DEAKIN.—I think that we ought to be.

Mr. JOSEPH COOK.—That item ought to be omitted. It is foreign to the others.

Mr. HIGGINS.—It seems to me to be foreign to them. To my mind, that proposal should be discussed upon its merits in committee of supply. Perhaps the Attorney-General may see his way clear to limit the operation of this resolution to the end of 1903. I am against the maintenance of two Government-houses, but at the same time I think that the Government have committed us to a bargain until the expiration of three years from the inauguration of the Commonwealth. I think we are in duty bound to carry out their promise.

Mr. DEAKIN.—If the honorable and learned member will recollect, the object in submitting this proposal in anticipation of

the Estimates is that it may form the basis of information to whoever may accept the office of Governor-General in succession to the present Acting Governor-General. Consequently, if any limitation is attached to it, I hope it will be one which is applicable to the term of office of the next Governor-General. Parliament will then be free to revise the arrangement during his tenure in respect to his successor. The object in bringing the matter forward at the present time is to enable the Secretary of State for the Colonies to undertake the task of securing the most competent man whom he can persuade to accept the position. Before any person accepted it he would naturally desire to know what conditions are attached to it. If an alteration is made it will, of course, come before the Secretary of State for the Colonies; but it would be very much more satisfactory if the motion were agreed to in its present form.

Mr. HIGGINS.—I would point out to the Attorney-General that the fact of an officer having to keep up two Government-houses is no inducement to him to accept the position. We shall have no difficulty in securing a suitable occupant of the office, if it is clearly understood that he is not expected to maintain two vice-regal establishments after 1903. At the same time he ought to be given an intimation that if only one Government-house is to be maintained the allowances will be so and so. To be required to keep up two distinct establishments will deter men from accepting the position. I submit that £2,077 will be found altogether insufficient for the upkeep of the Government-house, Sydney. I do not care where the vice-regal establishment is located, but I desire to see only one house maintained by the Commonwealth.

Sir WILLIAM McMILLAN.—Is not that shunting the whole thing in another way?

Mr. HIGGINS.—I can assure the honorable member that if a vote were taken upon the bare issue of whether a second Government-house ought to be kept up by the Commonwealth he would be badly defeated. I feel that the majority of the people are against the maintenance of two Government-houses, although they do not care where the Governor-General resides so long as he is properly housed.

Sir WILLIAM McMILLAN.—But the Government-house where Parliament is sitting must be kept up.

Mr. HIGGINS.—Very likely. If a person gets hold of the foal, of course the mare will follow.

Sir WILLIAM McMILLAN.—The honorable and learned member says that he does not care where the vice-regal establishment is located, because he knows that the Governor-General must reside in Melbourne, whilst the Parliament is in session.

Mr. HIGGINS.—That matter, however, was not decided by me. The honorable member advocated the adoption of a Constitution which compels the Parliament to sit in Melbourne. I opposed it, and, therefore, the honorable member, and not myself, is responsible.

Mr. McCOLL (Echuca).—I think that the committee ought to arrive at a vote as soon as possible. I have listened to the debate this afternoon with a considerable amount of pain, and I certainly am of opinion that we cannot expect the federal feeling to grow amongst the people unless we show a better example of it in this Chamber. At the end of sixteen months surely we ought to have got a little nearer to each other than the sentiments which have been expressed to-day appear to indicate. I trust, however, that the feeling which has been evinced is only upon the surface, and that deep down in our hearts we are prepared to act in a more federal spirit. I am at a loss to understand the opposition to this proposal. No one has said that he opposes the expenditure for reasons of economy, which are the only reasons upon which I think it could be opposed. I hold that the arrangements made anterior to the establishment of the Commonwealth, and the great expense gone to by the Government of New South Wales in improving the accommodation at the Government-house, Sydney, upon the understanding that it would be used by the Governor-General, bind us as men of honour to agree to this expenditure. I feel that if I did not vote for the present proposals of the Government I should be guilty of an act of repudiation. The point raised that the expenditure should be provided for in some other way is only a question of tweedledum and tweedledee. The Government are justified under the circumstances in ascertaining what, in the opinion of honorable members, is the basis upon which the Governor-General should be expected to take up his residence amongst us. We

should not grudge the proposed expenditure to our friends in New South Wales. During the consideration of the Tariff, we have had some hard battles here; but now that the session is coming to a close we might gracefully pass this grant without a division, so that there may be a better spirit between the representatives of New South Wales and Victoria. We have heard too much of both States in the past, and I hope that the comparisons which have been so frequent will at length be dropped. But, while I wish to see every compact entered into by the Commonwealth Government honourably carried out, I could not at the present time vote for the expenditure of any large sum of money upon the building of a federal capital. Rather than do that, I would be prepared to agree to a proposal for the meeting of the Federal Parliament in Sydney for a time. We have waterworks and other large undertakings to carry out before we shall be justified in spending huge sums of money in the erection of unproductive buildings out in the bush. But we who represent Victoria must, in considering this matter, put ourselves in the position of the representatives of New South Wales. I think that if we were in their position, we should act as they are acting. If I were a member of the New South Wales Parliament, and had heard this debate, I would go back to the Premier of that State, and say—"Do not take this money. Let us rather provide the expenditure from our own revenue." If the State of New South Wales did that, the Commonwealth would be humiliated. I trust that the motion will be passed with very little further discussion.

Mr. CROUCH (Corio).—I strongly object to the remarks of the last speaker, who said that those who opposed this grant are anti-federalists.

Mr. McCOLL.—A great many of the speeches which have been made have been anti-federal.

Mr. CROUCH.—The acting leader of the Opposition, in strongly supporting the motion attempting to set up Sydney as a seat of government against the wording of the Constitution, showed as narrow and provincial a spirit as has been displayed in any debate that has taken place since this Parliament first met. He is strongly in favour of Sydney being made a federal centre. But if Sydney is to be regarded as a federal centre, and is to be

given money to entertain the Governor-General there, why should not other cities be similarly treated? As Melbourne is the federal capital for the time being, Sydney is merely a provincial centre, and Hobart, Geelong, Ballarat, Adelaide, Brisbane, and Perth, as other provincial centres, have equal rights with Sydney. The honorable member for Wentworth is advocating the interests of his own State in opposition to the interests of the whole Commonwealth. I resent the statement of the honorable member for Echuca, that those who oppose this motion do so for anti-federal reasons. If any State capital has a right to be specially considered in this connexion, it is the former federal capital of Australia—Hobart—where the Federal Council met for years. If the rights of provincial centres are to be considered, Hobart has far better claims than Sydney has in connexion with this matter. I regret, however, that these provincial claims have been brought forward. It has been said that a compact has been made with the people of New South Wales, but that compact, if made, was made by duress and misrepresentation, and therefore is not binding. I say that it was made by duress, because the people of Sydney, in opposition to the interests of New South Wales and of Australia, used their strong position to force the other States to agree to a federal union under certain conditions. New South Wales held the revolver at the heads of the other States by saying that she would not join the union if she did not get her own way. Sydney played for her own hand absolutely, against the interests of Australia, in order to secure a State advantage. Furthermore, the compact was brought about by misrepresentation. The people of Victoria, who accepted the Bill as amended by the Premiers' Conference, never heard of the compact to which reference has been made. If they had known that they were being deceived, that the Constitution Bill which was presented for their acceptance was not the real bargain, but that there was a secret compact in favour of Sydney, and that the rights of Victoria had been abandoned during the conference of the Premiers, they would not have voted for the union of the States with as much enthusiasm as they did. The honorable member for Wentworth, if he knew of the misrepresentation which then took place, was a

Mr. Crouch.

party to it; but if he did not know of it, he cannot say now that any compact was entered into.

Mr. CONROY.—Will the honorable and learned member express his disapproval of the action of the Government by voting to turn them out?

Mr. CROUCH.—I am willing to vote against this motion, and, if the honorable and learned member thinks as I do, he should vote with me. I trust that the proposal of the Government will be defeated, and that, if we cannot prevent the expenditure of the £5,500 proposed, we should at least reduce it to £3,100.

Mr. POYNTON (South Australia).—The honorable member for Echuca said that he regretted to note the existence of an anti-federal spirit in the House. I deny that any such spirit exists here, though there is cause for it in the action of the Government in the whole of this business. The Government seems on every occasion to have adopted the wrong way of dealing with the matter. A few months ago a Bill was introduced to provide for expenditure in connexion with the Governor-General's establishment, which should have been provided for on the Estimates. That Bill was very much altered, but ever since then the Government have made a continuous series of blunders with regard to the whole question. It has been stated to-day that an arrangement was made between the States about the keeping up of two Government-houses, but I remember distinctly that when it was stated in the daily newspapers that the Parliament of New South Wales had voted a certain sum of money towards making good an additional grant of £10,000 to the Governor-General, the South Australian Premier of the day was asked in Parliament if he had been consulted about the matter, and his answer was that he knew nothing about it except what he had read in the newspapers. Yet we are told to-day that the various States Governments agreed to this arrangement.

Mr. DEAKIN.—That is a mistake. There was no such agreement.

Mr. POYNTON.—The honorable member for Echuca said that he could understand an objection to this proposal on the ground of economy. But I say unhesitatingly that the sum proposed is not a large one. Does the Acting Prime Minister really think that we shall not be asked within a short time to supplement it?

Mr. DEAKIN.—I do not think that we shall.

Mr. POYNTON.—Shall we not later on be billed by the States with accounts for the railway travelling of the Governor-General? The Government have had time since the matter was first brought before us to ascertain definitely what the States intend to do. We have no assurance from them that they do not intend to charge us for the railway travelling of the Governor-General. That being so, we may within the next twelve months be called upon to foot a pretty heavy bill for railway travelling. As a matter of fact, the Government have already been billed, and, although they have refused to settle the account, that does not end the matter. Later on we shall be told that there has been a breach of an agreement; that the arrangement for the upkeep of two Government-houses implied an undertaking to pay for the travelling between them. The amount set down here is within the estimate which was arrived at by the Convention in 1898, though there was then no intent on of providing for two establishments. If there had been that intention, the estimate would have been very much larger. Are we to understand that the Sydney Government-house is to be retained by the Commonwealth for all time? I do not know that I have much more to say upon this proposal. I intend to vote against the whole thing as a protest against the method which the Government has adopted in dealing with this question generally. Their course of action has been a series of bungles from start to finish. We had more discussion of the Governor-General's establishment than there would have been any necessity for if the Government had dealt with the matter in a statesmanlike manner. By the action of the Government the House has been placed in a false position. Before we are many years older those who will be in this Chamber will be told that they are in honour bound to support further votes proposed in connexion with the establishment of the Governor-General. I do not believe that it is possible to keep up the two establishments in Melbourne and Sydney for the sum proposed. I remind honorable members that the proposal implies, in addition to the sum stated, a fair claim upon the Parliament for railway charges between the two establishments. Those who will later on be called upon to foot the bill will be

told that it must have been clearly understood that when two establishments were provided—one in Sydney, and the other in Melbourne—there must be some means of communication between the two; and the expense of that communication will be submitted as being only a fair charge, and a natural corollary of the agreement entered into.

Mr. KENNEDY (Moir).—As this proposal stands at present, I intend to vote against it. I shall vote for the Government proposal only on the condition that the charge for the maintenance of the two houses shall be limited to the term mentioned in the agreement already entered into. It is not altogether to the amount involved that I take exception, though I venture to say that the Acting Prime Minister, with his experience, will not attempt to demonstrate that the sum proposed in the resolution will be sufficient for the upkeep of these two establishments. The honorable gentleman has himself told the committee that the States of New South Wales and Victoria have each paid more for the maintenance and upkeep of Government-house in their respective States than he proposes under this resolution to expend upon the upkeep of the two. How utterly absurd it is, therefore, to imagine that this sum is going to be sufficient to maintain both. It is simply burking the whole question. The introduction of the proposal in this way is getting in the thin edge of the wedge, and when a further request is made to pay up arrears, the House of Representatives will be told that the money is spent. We have had too much of that way of doing business, and, as I have previously stated, the only way in which we can prevent this expense is by refusing to vote the money. I point out that we are here setting up a standard for all and sundry to follow. As I understand the Constitution, the effect will be to make it more expensive for future Governors-General, as they will be obliged to maintain a residence in Sydney and in Melbourne, practically for the whole year. Later on we shall no doubt have the Federal Government coming down with a proposal for the establishment of federal offices in Sydney and in all the other State capitals. The proposal to my mind, is utterly absurd, and I shall vote against it unless it is limited to the term of the agreement which has been entered into, when it is probable that the

Federal Government will have a home of its own.

Sir WILLIAM McMILLAN (Wentworth).—I should like to say, with regard to the proposal to limit the operation of the resolution, that it seems to me that we should be true to ourselves as a business Chamber. If the proposal of the Government is anything at all, it is a proposal to enable them to communicate with the Home authorities as to the actual financial position regarding the establishment of future Governors-General. It seems to me to be a very reasonable and sensible proposal. If we carry out the suggestion of the honorable and learned member for Northern Melbourne, and confine the operation of the resolution to a period of three years, can we expect that a Governor-General will come here under conditions which may be altered during his term of office? I think it would be far better to deal with the matter on the good faith of the Government. They have decided that this is to be taken as an interim provision, subject to alteration in the light of further experience. There are many things which we are doing in this Commonwealth in connexion with which it is impossible for any one to know all the conditions and expenses involved. It would certainly be more business-like to have a proposal which will undergo no change during the term of office of a Governor-General. I am sure that, for the sake of the honour of this House and the credit of its business capacity, honorable members will not consent to a proposal limiting the operation of this resolution to a period of three years, when a Governor-General may be in the middle of his term of office.

Mr. BROWN (Canobolas).—One of the matters which should be considered in dealing with this question is the extent to which the State and people of New South Wales were induced to look to the Commonwealth Government for some arrangement of this character. I know it has been denied that there was anything in the nature of an agreement between the State of New South Wales and the Commonwealth, or between the State of New South Wales and the State of Victoria, regarding this matter. Whilst it is probable that there is nothing in the Federal Constitution relating to the matter, and that there may be nothing in the nature of a formal agreement between the States bearing upon it, I

still think there was a certain understanding anterior to federation between the people and Government of New South Wales and the peoples and Governments of the other States, and particularly of Victoria, who were engaged in negotiations which finally led up to the acceptance of the Constitution by the people of New South Wales.

Mr. POYNTON.—Sir George Turner, as Premier of Victoria at the time, has denied it.

Mr. BROWN.—I have not heard his denial, and I should like to be sure that he denies that there was any understanding of that character.

Mr. DEAKIN.—He does deny it.

Mr. BROWN.—I have it now from the Acting Prime Minister that Sir George Turner does deny it, and that being so, I am bound to say that the people of New South Wales were under a misapprehension in regard to the matter. When the Constitution was defeated on the first referendum, there were negotiations between the Premiers of the States which led up to what was known in New South Wales as "the secret conference," a conference of the Premiers representing the different States in which certain agreements were arrived at. How they were arrived at is kept secret, because the meetings were not open to the press, and the press and the public were only informed that certain conclusions had been arrived at. These were embodied as alterations in the Constitution, which was then submitted to a referendum vote, not only of the people of New South Wales, but of the peoples of the other States who had approved of the original Constitution, with the difference, of course, that on the second occasion Queensland was induced to come in. That State took no part in the first referendum, and at that stage appeared to have made up her mind to stand outside of the federal movement for the time being. It was represented to the people of New South Wales that, as the result of the Premiers' conference, certain arrangements were to be made, and, amongst others, that the federal capital should be located in New South Wales, subject to certain limitations, and that in the meantime the Federal Parliament should meet in Melbourne. What the people of New South Wales were led to believe, and what many of them now

believe, was that the understanding arrived at by the conference was that, whilst the Commonwealth Parliament should meet in Melbourne, it should be necessary for the Governor-General to reside in that city, and it was therefore necessary that the State of Victoria should make provision for his residence. It was also understood that during the recess, when honorable members had returned to their respective States, the Governor-General, if he chose, should reside in the chief city of New South Wales. That was one position placed before the people of New South Wales prior to the taking of the referendum.

Mr. McCAY.—Does the honorable member say that any federal leader in New South Wales asserted that that was an understanding?

Mr. BROWN.—I am not prepared now to name any federal leader who asserted that, but I think I can be borne out in the statement that that impression was prevalent in New South Wales. So far as I am personally concerned, that consideration had no weight with me, because when the question of remitting the decision as to the seat of the Federal Government to the Premiers' conference was proposed in the State Parliament of New South Wales, I was one of the few who voted against it. I considered that there were other issues, of far greater importance, which should receive attention. But in battling against the acceptance of the Constitution on the second referendum, I was met with this argument at nearly every meeting I addressed: It was contended that there would be no injustice done to New South Wales under the arrangement that the Governor-General should divide his residence in the Commonwealth between that State and Victoria during the time preceding the allocation of the federal territory. This was an important consideration in the minds of the people of New South Wales, and was urged very strongly as an inducement to them to adopt the Constitution. There were indications of some general understanding, because the Government of New South Wales initiated legislation making provision for a contribution by that State towards the expenses of the Governor-General's establishment. The Premier of Victoria introduced similar legislation into the Parliament of that State, and if he had been sufficiently supported, Victoria would have stood committed to a contribution of £3,000 per

annum. Now we are told that this action was taken quite apart from any understanding arrived at by the Premiers of the States. I am bound to accept the assurance of the Acting Prime Minister that there was no understanding, but it is difficult to conceive how such a strong impression could have been created in the minds of the legislators and the people generally of New South Wales in the absence of some compact such as has been referred to. The Premier of Victoria, at least, thought at one time that an arrangement of this kind should be entered into, and there must have been some common inspiration for his action, and that taken by the Premiers in other States. We were not informed in New South Wales that the course adopted by the Government of New South Wales was the result of despatches received from the Secretary of State for the Colonies, but we were led to believe that it was due to an understanding arrived at between the Premiers at the conference held by them some little time before. The matter has now reached such a stage that this Parliament is in duty bound to adopt the Government proposals. If the people of New South Wales were misled, their misapprehension should have been corrected before this, as it is rather late in the day to disillusionise them. It will be difficult to induce them to believe that there was no understanding, and any attempt to vary the arrangements for the residence of the Governor-General in Sydney will be regarded by them as a manifestation of an anti-federal spirit. I do not see that there is any great objection to the Governor-General visiting the capitals of the Commonwealth. It is not desirable that the Governor-General should be tied to Melbourne while the seat of government is in that city, or that, when the Federal Parliament is established in its permanent home, we should place a ring fence around the capital and prevent the Governor-General from visiting the capitals of the various States.

Mr. POYNTOX.—Would the honorable member be in favour of maintaining six establishments—one in each of the capitals?

Mr. BROWN.—I am prepared to grant to His Excellency every facility for visiting the States, and if the Government of South Australia will place a residence at his disposal, I am willing that that State should be treated in exactly the same way as the others. The honorable member, for Tasmania,

Mr. O'Malley, has stated that there is no necessity for a Governor-General in a democracy, but that question should have been dealt with when the Constitution was being framed. It is all very well to talk about the appointment of a Governor-General being inimical to a true democracy, but if the honorable member for Tasmania, Mr. O'Malley, will turn to the United States, he will see that the people there have been ground down by multi-millionaires to a far greater extent than have the people under our system of government. If the honorable member wishes to do away with those elements in the community that are detrimental to the best interests of democracy he will require to turn his attention first to the abolition of multi-millionaires and trusts. As a federation under the Crown we must have some one representing the Crown. The honorable and learned member for Northern Melbourne denied that there was any question of federal feeling involved in this matter, and he stated that he would be loth to do anything that would convey the impression to the people of New South Wales that the opposition to the residence of the Governor-General in Sydney was due to the existence of an anti-federal spirit in Victoria. At the same time the honorable and learned member wishes to limit the operation of the motion to the period for which the Ministers have entered into an arrangement with the Government of New South Wales. I would point out, however, that if it is a good thing to ratify the arrangement entered into for that period it should be just as desirable to continue it until such time as the Federal Parliament is located in its permanent home.

Mr. POYNTON.—Does not the honorable member see that the motion provides for the residence of the Governor-General in Sydney for all time?

Mr. BROWN.—I do not agree with the honorable member. It simply provides for the residence of the Governor-General in Sydney during the period which must elapse before the federal capital is established. When the residence of the Governor-General has been established within federal territory, it will be open to this Parliament to decide whether the present arrangement in respect of Melbourne, and the proposed arrangement in respect of Sydney, or any of the other State capitals shall continue. Honorable members should recollect that in

anticipation of that compact being honorably carried out, the Government of New South Wales, at considerable expense to themselves, have handed over the State Government-house for the accommodation of the Governor-General. They have arranged for the accommodation of the State Governor elsewhere. Are they now to be told that that arrangement was made upon their own initiative, and that the federal authorities are under no obligation in respect to it? That would be an unfair position to assume towards the Government or people of New South Wales. I intend to support the proposal which has been submitted by the Attorney-General, because I believe that it loyally carries out pre-federal arrangements. Instead of the people of New South Wales forcing this matter on by misrepresentation, it seems to me that if the compact is not carried out they will have every right to complain.

Mr. McCAY (Corinella).—In listening to this debate, I was very much surprised at the statement made by some honorable members from across the border that in New South Wales the Constitution was carried because it was understood that the Governor-General was to reside there for a few months in each of a few years. Without doubting the veracity of any honorable member, that statement appears to me to be almost incredible. There was no State in the Union in which the Constitution in all its bearings was so fully discussed as it was in New South Wales, and under those circumstances I can scarcely realize that such a comparatively unimportant matter as where the Crown's representatives should reside during a few of the earlier years of the federation carried so much weight. But leaving out of consideration what was the understanding, it seems to me that this is not a question of whether Victoria or New South Wales is to hold up the body of the Governor-General for a few years as the spoils of war. The question is whether we are to establish a good or bad precedent regarding the expenditure of moneys belonging to the public, who we know are insistent that this Parliament shall exercise economy in every possible direction.

Mr. WILKS.—Let us have a speedy settlement of the capital site.

Mr. McCAY.—I have not the slightest objection to the adoption of that course. I think it was a huge mistake to insert

in the Constitution the provision relating to that matter, and to bar all the other State capitals from becoming the future federal capital. The 100-miles ring around Sydney is not nearly as big as is the ring around the other capitals. I should be perfectly willing to put the names of Sydney, Melbourne, and Adelaide in a hat, and to draw lots as to which should be the capital. But, after all, the determination of this question, or of the temporary residence of the Governor-General, is of small importance compared with the great matters at issue in connexion with the federation. I cannot assume that the people of New South Wales would believe that that State had been wronged if Parliament declined to vote an annual sum of £2,000 for the maintenance of the vice-regal establishment in Sydney. The real question at issue is, whether in expending this money, we are setting a good example in regard to economies which must be exercised by this Parliament in all sorts of directions for years to come, if the States are to be assisted in keeping down unnecessary expenditure. It has been said, and certainly the correspondence was laid upon the table to-day induces the belief, that we have entered into a sort of tenancy in respect of the Government-houses in Sydney and Melbourne. Granting that that is so, I cannot see why we should ask the people of the Commonwealth to continue that tenancy any longer than is necessary. In each case the contract expires at the end of 1903, and I do not see why it should continue one moment longer. In certain despatches it is even suggested that when the Federal capital is established a third residence should be provided for the Governor-General. Apparently we are to have one residence at the Federal capital, another at Melbourne, and a third at Sydney. When the Federal capital has been established within Commonwealth territory, I shall certainly refuse to vote for the maintenance of any vice-Regal residence, either in Melbourne or Sydney. I would not now vote for the upkeep of the Government-house in Melbourne, if Parliament were not sitting here. But where Parliament is in session, there the Governor-General must be located. It is, therefore, absolutely necessary that the Governor-General should have an establishment in Melbourne. That is unavoidable in the carrying on of the Government of the country, and that is the

reason why I distinguish between the two portions of this motion. I am satisfied that the possibility of having the Governor-General's presence in Melbourne for a few months each year did not induce the people of Victoria to accept the Federal Constitution. They accepted it——

Mr. WILKS.—Because they thought it was a good bargain.

Mr. McCAY.—I am sure that if they entertained that impression they are very much disappointed. But the fact is that they accepted it because they believed that Victoria, like the rest of Australia, would benefit by the union, and in spite of all that has been said, I think that most of us believe that this great machine, so soon as its bearings get into proper order, will work smoothly. There was bound to be trouble at the beginning, and that trouble has been accentuated by the great drought which has overtaken Australia. I do not think that New South Wales will consider that she has been grievously wronged if Government-house is not kept open for the occupation of the Governor-General during four or five months in each year. It is because I feel that the maintenance of two vice-Regal establishments constitutes an example of unnecessary expenditure in high places that I cannot support the proposal of the Government. In discussing matters of this kind, the people seize upon points here and there. They will be only too ready to say—“You have spent so many thousands of pounds in connexion with the Governor-General, and yet you refuse to expend a thousand pence to assist certain people who are in very much more need of it.” In spite of the moral effect which the presence of His Excellency might have upon Sydney, I think that its natural attractions are quite sufficient. I feel bound to abide by the bargain which I consider has been made, and which must continue for three years from the date of the inauguration of the Commonwealth, much as I disapprove of it. It would be quite useless, however, to continue that arrangement until just after the beginning of a Governor-General's term of office. I hold that the Government should not have made such an arrangement until it had ascertained the wishes of Parliament in this matter. Occasionally, however, the Government have assumed too much and have discovered that their ideas concerning the wishes of this House have been very much at fault. I feel bound to express my disapproval of

the motion, and in the performance of what I conceive to be my duty, but in no spirit of hostility to my friends across the border, to vote against it.

Mr. HENRY WILLIS (Robertson).—I think that something should be said by the representatives of New South Wales in regard to the proposal of the Government to expend £5,500 upon the up-keep of the Government-houses in Sydney and Melbourne, because honorable gentlemen opposite appear to have overlooked the fact that an agreement was entered into with the Government of New South Wales to lease the Government-house in Sydney for a period of three years, with the right of renewal for another two years. In view of that agreement, the Government of New South Wales spent £20,000 in adding to the building, and another £7,000 in providing a residence for the State Governor. Yet honorable gentlemen opposite tell us that they did not know of any such agreement.

Mr. KENNEDY.—Was not the expenditure to which the honorable member refers entered into before the agreement was made?

Mr. HENRY WILLIS.—It was incurred in view of the possibility of Government-house being used by the Governor-General.

Mr. KENNEDY.—The Federal Government had not committed themselves at the time.

Mr. HENRY WILLIS.—I think there was an understanding that the Governor-General should reside in Sydney for a certain period of the year. If the honorable member is of the opinion that £20,000 was spent upon the building because it was in a state of disrepair, I would like to inform him that only a short time previously something like £7,000 was spent in renovating it for the reception of Lord Beauchamp, and that every year a large sum of money is voted for its maintenance. Had there been no agreement with the Federal Government it would not have been necessary to provide a residence for the State Governor, but as that has been done, and as the New South Wales Government have spent a large sum in adding to and improving the old Government-house, because of the agreement with the Federal Government, it is the duty of this Parliament to see that the agreement is honorably kept. There is no inclination on the part of the Government to withdraw from it, but some of their supporters seem to be unable to

find a reason for supporting them on this occasion. I would point out to the representatives of Victoria that the agreement in regard to the Government-house, Melbourne, is no more binding than the agreement in regard to the Government-house, Sydney. That being so, why should they wish the Government to withdraw from one and to fulfil the other? The attitude of those honorable gentlemen is a display of that provincialism of which we have heard so much. There may be a feeling on their part that, if the Governor-General resides in Sydney, the occupancy of Government-house, Melbourne, may be on a less firm and lasting footing. I do not wish to see the Governor-General continue to reside in Melbourne, because another compact was entered into with New South Wales, and that was that the federal capital and the permanent residence of the Governor-General should be within the borders of that State; but until the federal capital is chosen I think the Governor-General should live part of the year in Sydney, and part of the year in Melbourne. Apparently provision has been made for the occupancy of the Sydney Government-house for four months in the year. The representatives of Victoria cannot find much to grumble at in that, seeing that he will reside eight months in Melbourne. New South Wales is being called upon to occupy a position second to that of South Australia in this matter, because Lord Tennyson, since he has been Acting Governor-General, has made several trips to Adelaide, while he has not been to Sydney at all, and we have no guarantee that that state of things will not continue.

Mr. McDONALD.—Why should there not be a Commonwealth Government-house in Adelaide?

Mr. HENRY WILLIS.—I have no objection to the Governor-General visiting Adelaide. In my opinion it is his duty to make himself seen and known in every State capital. When I was in Canada, I was informed that the Dufferin-mansion, at Quebec, is occupied for a period every year by the Governor-General of the Dominion, and the representatives of New South Wales ask that Government-house, Sydney, shall be similarly occupied by the Governor-General of Australia. Sydney is the most important city in the union.

Mr. A. McLEAN.—Not in point of population!

Mr. HENRY WILLIS.—In commerce and in wealth, while the State of New South Wales occupies the enviable position of containing one-third of the population of Australia. Is it not reasonable that the Governor-General should reside for part of the year in so important a State—the State which will be the home of all future Governors-General? The honorable and learned member for Northern Melbourne says that he has no desire to see the capital remain in Victoria, but I am inclined to think that among Victorian representatives he is very much alone in that opinion.

HONORABLE MEMBERS.—No.

Mr. HENRY WILLIS.—I am glad to hear honorable gentlemen say “No.” It indicates a desire to do the correct thing, and the first step to be taken in that direction is to honorably keep the compact entered into in regard to the occupancy of the Sydney Government-house.

Mr. FOWLER. — If the Sydney people see as much of the Governor-General as the Melbourne people do, they may become satisfied, and not push forward the federal capital question.

Mr. HENRY WILLIS.—I do not think there is any fear of that. Perhaps, individually, the people of New South Wales do not regard this matter as of much importance, but they wish to see the position of Governor-General properly maintained, and they consider that for the proper maintenance of the position it is necessary that he should reside for at least one-third of the year in Sydney. A great deal has been said about the expense of this arrangement, but it must not be forgotten that at least £1,000, or more than a third of the whole amount, will be provided by the people of New South Wales, and, as they have already spent so large a sum in providing for the accommodation of the Governor-General in Sydney, surely the people of the other States will not hesitate to make up the balance of the expenditure.

Mr. L. E. GROOM (Darling Downs).—When a somewhat similar question was before Parliament on a previous occasion honorable members took up an attitude in connexion with it which I think has met with the approval of the people outside. Our attitude then was that we desired to see the office of the Governor-General upheld with dignity, and were willing to provide a reasonable allowance to that end. But we wished it to be distinctly

understood that the occupancy of the position should be in accordance with the ideals of the Commonwealth, which were ideals of simplicity and of economy. The proposal to expend £13,030 upon the upkeep of the Governor-General's establishment has now been reduced to £5,500, which shows that the Government are taking their lesson to heart.

Mr. POYNTON.—Does the honorable and learned member think that the amount now set down will cover the whole cost?

Mr. L. E. GROOM.—We have been informed by the Acting Prime Minister that Commonwealth officials have inquired carefully into the whole matter, and think that the sum set down is sufficient. It is possible that there may be some increase, but the reduction already made is very great.

Mr. POYNTON.—Did not the Acting Prime Minister state as a reason why a Bill was not introduced that he was not sure that this sum would be found sufficient?

Mr. L. E. GROOM.—No. I understood the honorable gentleman to say that this proposal would be taken as a working basis, and that if it was afterwards found to require revision it could be revised. But it does not follow that the amount is going to be increased from £5,000 to £13,000. As the Commonwealth grows there is no doubt that our expenditure will increase; but I shall not be a party to any very great increase over and above the amount of £5,500 now proposed for this purpose. I intend to support the proposal to maintain both Government-houses. The matter has been stated in several ways. It has been argued that there should be but one establishment maintained for the Governor-General, and that until the federal site is formed, that establishment should be maintained in Melbourne. To my mind there are two possible sites for the Governor-General's residence, and if it is decided that we should have only one, the question arises whether there is to be a fair run between Sydney and Melbourne.

Mr. McDONALD. — Another point is, whether two residences are to be continued.

Mr. L. E. GROOM.—That is another aspect of the question. Here we are asked to lay down the principle that there shall be two residences, and honorable members from States other than New South Wales, and particularly from Victoria, have said that there should be only one, and that that should be Melbourne. In my opinion, if

the whole question is viewed fairly, we are bound to continue for some considerable time the two residences which have been selected. The honorable and learned member for Corinella seemed to say that if it were a question of the Commonwealth being legally bound to New South Wales, he would be inclined to accept the position. Then he said afterwards that he could not accept a half-way arrangement. He did not put his position very clearly, but the impression he left upon my mind was that, if he were satisfied that an agreement had been made between the Federal Government and the Government of New South Wales, he would be prepared to abide by that agreement. While honorable members have been speaking, I have gone carefully through the correspondence, and I have come to the conclusion, as regards the making of a contract, that if this were a contract between two private individuals, and brought before a court of equity, on the correspondence which has taken place, together with the acts of possession and ownership exercised over the property in New South Wales, the court would decree specific performance in the case of either party to the contract. The correspondence starts as early as 18th June, 1901, when the Prime Minister writes as follows to the Premier of New South Wales:—

I shall be glad if you will kindly take into your early consideration the question of the occupancy of Government-house, Sydney, by the Government of the Commonwealth, for the purpose of a residence for His Excellency the Governor-General. It will probably be necessary to arrange for the occupation of the buildings and grounds for a term of three or five years, and I shall be pleased to receive any proposals you may have to make upon the subject. The Commonwealth Government will, as a matter of course, maintain the house, offices, grounds, &c., and effect any repairs which may become necessary during the term of occupancy.

After that letter was written a similar letter was written to the Premier of Victoria, and the correspondence shows that the head of the Government, acting evidently upon Executive authority, entered into a contract with the Commonwealth through its Executive officers. We may disapprove of the conditions of a particular contract, but when it has been entered into by the persons whom we have placed in a position to make contracts on our behalf, the Commonwealth, as a whole, will feel itself bound by the act of its Executive officers. We can only act through agents,

Mr. L. E. Groom.

and we are bound by their acts, although we may disapprove of particular terms of a contract. It will be found that ultimately the Prime Minister of the Commonwealth wrote to the Premier of New South Wales asking whether the Government of New South Wales were prepared to lend Government-house in Sydney to the Commonwealth for the purpose of residence by the Governor-General, upon the same terms and conditions as Government-house in Victoria had been lent by the Government of that State. It will be seen from the correspondence that the Premier of New South Wales was agreeable to the occupancy of Government-house in Sydney upon the same terms. Throughout the correspondence it will be seen that definite terms are set out, and that a draft of a lease was before the two Cabinets. Then the Premier of New South Wales accepted it, and the Commonwealth Government accepted it. Not only did they do that, but the Commonwealth Government absolutely entered into possession of the building, and exercised effective ownership by appointing their own caretakers and making the repairs. On the other hand, the State Government of New South Wales ceased to exercise any control whatever over it, and became parties to another lease, making provision, at great expense, for a residence for the State Governor for a long term of years. If honorable members were, through an agent, parties to a contract with a private individual, established under the terms of the contract agreed to by the Federal Government, they would feel that they had bound themselves to take Government-house in Sydney for a definite term of years.

Mr. CROUCH.—The approval of Parliament is always a condition.

Mr. L. E. GROOM.—No, it is not always a condition. A hundred and one contracts are made by administrative officers, and if the approval of Parliament were always a condition, it would be impossible for Ministers to carry on the work of their departments, involving, as they do, the making of numerous small contracts. It is true that Parliament may exercise its power by refusing to appropriate money for certain purposes, but Parliament will very rarely inflict a hardship upon persons who have entered into a contract with the Government. Looking at the question purely as a question of law, I am of opinion that as regards New South Wales and the Commonwealth, we

have entered into a binding contract with the Government of New South Wales to occupy Government-house at Sydney for three years, and, whether the Governor-General resides there or not, we are under an obligation to maintain it, to look after the grounds, to keep the property in repair, and to keep it properly insured, or at all events to be responsible for it, and at the end of the term to hand it over in as good condition as when we entered it. That being so, I feel that it is necessary that we should vote for the amount set down in this proposed estimate. I put the matter now upon another ground, and I say that we owe a duty to New South Wales to carry out what may be really only an understanding. We know that these understandings cannot be enforced in a court of law. Honorable members from New South Wales do not ask for that, but they appeal to the court of honour, and ask honorable members of this House to agree to their request. What they ask is, to my mind, fair and just. They do not allege that this understanding induced New South Wales to enter the federation, but that the people of New South Wales believed that the Governor-General, as representing the sovereign power and authority underlying federation, and as the figure-head of the Commonwealth, would reside for a certain time in their capital city. If we deprive them of that which they would regard as an honour they will be aggrieved. They, in my opinion, have had reason to believe that the Governor-General would reside in their capital city during a certain portion of the year, and I think that the Commonwealth is in duty bound to carry out the understanding. I understand that the New South Wales members do not ask for this because of any provincial feeling, but because they think that in the first stages of the existence of the Commonwealth the people of the different States should live as a happy and united family, and that there should be a kindly and brotherly feeling pervading the Commonwealth.

Mr. CROUCH.—They say — “Give us what we want and we will be federal in spirit.”

Mr. L. E. GROOM.—No, they do not ask that we should give them what they want, but the people of New South Wales believed that this promise would be fulfilled, and they will feel aggrieved if it is not

fulfilled: Though as free-traders and protectionists we may differ in this House, we know that the federal feeling exists amongst us, and I understand that it is upon this high ground that this matter is put by the honorable members from New South Wales.

Mr. McDONALD.—We shall have to get upon high ground in Queensland, and have an establishment in Brisbane.

Mr. L. E. GROOM.—We may have to fight for the federal feeling, and I believe we shall have the assistance and sympathy of honorable members of this House if the contention is urged in a federal spirit, which I think is a spirit characteristic of honorable members from our State. I have looked through the correspondence also with respect to the second point—as to whether the people of New South Wales had any reasonable ground for believing that Sydney was to be a place of residence for the Governor-General even for a certain time. In my opinion, the correspondence shows that they had every reason to believe that. In the first place, we know that the proclamation was to be issued in Sydney, and on looking through the correspondence and cablegrams dealing with the matter, it would seem as if the Premiers of Australia some time prior to the 7th July, 1900, were consulted upon the matter. They, of course, had no legal power to bind their Parliaments, but they were looked to as persons who, from the positions they occupied, were competent to express the public opinion of their States.

An HONORABLE MEMBER.—They deny that.

Mr. L. E. GROOM.—I do not care whether they deny it or not. I am pointing out that such facts as these would lead to the belief in the minds of the people of New South Wales that an agreement or understanding of some kind existed. On the 7th July, 1900, Earl Beauchamp, who was then Governor of New South Wales, sent the following telegram to the Secretary of State for the Colonies:—

Re your telegram of 6th July—My Prime Minister desires to introduce next week Bill dealing with the question of State Governors after federation. He is anxious to have your permission to state that you desired Barton to inquire where Governor-General should reside, and that in answer to your request Prime Ministers of federating colonies consulted and agreed to New South Wales.

Mr. KENNEDY.—That is denied.

Mr. L. E. GROOM.—Assuming that it is denied, the question is whether the people of New South Wales had any reason for believing that an arrangement had been entered into, and I am showing that persons in very high positions in New South Wales entertained this idea.

Mr. McDONALD.—Then we should have their testimony upon the subject.

Mr. L. E. GROOM.—It is not a question of testimony. The point is whether the people of New South Wales had any reason to believe that a compact had been made, and I am pointing out that they had. I can rely only upon the evidence before us. It may be misleading, but it is vouched for by very high authorities, and must be accepted until we have some stronger written testimony to set against it. There are further telegrams on the same question in which expressions similar to those quoted by me will be found. We know that there was some communication with the Home Government when the Secretary of State for the Colonies issued a despatch dealing with the provision to be made for the residences of the Governor-General in New South Wales and Victoria, and prior to that despatch the Parliament of New South Wales, evidently acting upon some understanding, passed a Bill providing for a contribution by the State to the expenses of the Governor-General. The Parliament of New South Wales believed that the Governor-General was to reside in Sydney, and everything was directed to that end. Through every act that was performed by persons in authority—by the Parliament, by the State Governor, and by the Secretary of State for the Colonies—the people of New South Wales had held out to them the expectation that, for a certain time at least, the Governor-General would reside in Sydney.

Mr. ISAACS.—Solely in that State?

Mr. L. E. GROOM.—No, for a certain time only.

Mr. McCAY.—But they had no such impression prior to the second referendum.

Mr. L. E. GROOM.—I do not know that the referendum has anything to do with this particular promise. The people accepted the Constitution because they thought that New South Wales was to have the federal capital located within her territory. The people of that State will feel that they have a substantial grievance if the arrangement which they believed to have been entered

into is not carried out. They have spent large sums of money in fitting up Government-house as a residence for the Governor-General, and they will have just reason to complain if we do not keep faith with them. If it were open to me to decide from the beginning, I should be strongly opposed to the maintenance of two residences for His Excellency the Governor-General. I should much prefer one residence for His Excellency, and that adequate provision should be made for him to travel through the whole of the States. His occasional presence in the various cities would help materially to strengthen the federal feeling. The States which are more remote from the centres of federal activity do not receive many visits from those in authority and those who represent authority in the Commonwealth, and in this way federal influence is weakened. I regard the proposals of the Government generally as just and reasonable, and as economical to an extent which will meet with the approval of honorable members. I shall, therefore, cordially support them.

Mr. ISAACS (Indi).—The views expressed by the honorable member for Darling Downs would lead to the conclusion that for all time there must be a Governor-General's residence in Sydney. Nothing else will meet the logic of his arguments, because he has told us that in his view there has been a compact or agreement made—by whom we do not know, and when and where we are not told. The details of this agreement are delightfully vague and nebulous, and all that the honorable member can tell us is that it was made at some place by some one. Does any one believe that it was ever supposed that Sydney should be the sole place of residence for the Governor-General for all time? Yet this is the conclusion that my honorable and learned friend desires us to indorse. We are asked to believe that it was agreed that the residence of the Governor-General should be in New South Wales, and that is the bargain which my honorable and learned friend says could be enforced in a court of law.

Mr. L. E. GROOM.—No; I did not say that. The honorable and learned member is mixing up two entirely different questions.

Mr. ISAACS.—I should like to know if any court would compel the Governor-General to live in any particular State. This matter ought to be determined upon

other grounds than those advanced here to-night. The Government have done right in asking for an expression of opinion from honorable members as to their desires with regard to the basis upon which the Governor-General's establishment shall be founded. We are asked under the terms of the motion to say that two Government-houses shall be maintained at an annual expenditure of £5,500. The Acting Prime Minister has very fairly, and very properly, put it to us that, until they obtain an expression of opinion from honorable members, the Government will not be in a position to inform the Home Government as to what the future Governor-General may expect, and therefore it is right that they should bring down their proposals at the earliest possible moment.

Mr. DEAKIN.—I am prepared to add to the motion words providing that it shall apply during the term of office of the next Governor-General.

Mr. ISAACS.—That may be in perfect keeping with the view which the Acting Prime Minister has presented, but I do not agree with it. It goes further than I am disposed to follow, but it is a fair proposal to make to the House, and the Government are adopting a proper method of procedure. Speaking for myself, however, I am not disposed to go further than to ratify the bargain which has been actually made by the Government. Ministers ought to be supported to the extent to which they have committed the honour of the Commonwealth in the bargain made with the New South Wales Government up to the end of the year 1903. I am prepared to support them thus far, but beyond that I am not going, because I cannot see where we should be able to stop. If we adopt the suggestion of the Acting Prime Minister, and limit the operation of the motion to the term of office of the next Governor-General, we might reasonably be called upon afterwards to continue the arrangement for all time. Why should not the Governor-General following enjoy the same advantages as were conferred upon his immediate predecessor? Our friends from New South Wales have taken up a position which we scarcely expected them to adopt. If they had argued that the Governor-General could not perform his duties without a residence in Sydney, I could understand their point. I am not, however, disposed to agree with them that because

Sydney is said to be the greatest city in Australia, and more wealthy and important and more fortunate than any other, we should call upon the other less fortunate States to contribute to its still further aggrandizement. We should be careful to see that there is only one establishment for the Governor-General in Australia. I may not be here when the time comes to carry out that view, but I think that it would be distinctly improper to have a Governor-General's establishment in either Melbourne or Sydney, when the federal capital is established. I should be opposed to any such proposal. At the same time, I do not think that, even in view of the revilings Victoria has received at the hands of the honorable member for Dalley—who has done more to damage the cause of New South Wales than any other honorable member in this Chamber—we should depart from the strict path of duty by failing to support the Government in carrying out the compact into which they have entered with the Government of New South Wales. There would, however, be no justification for asking Western Australia, South Australia, Tasmania, and Queensland to help in maintaining an unnecessary establishment for the Governor-General in another State. The Governor-General has to visit other parts of the Commonwealth, and when he goes to Perth, or Brisbane, or Hobart he is able to make adequate arrangements for his comfort and for carrying out his duties. Surely similar provision can be made in Sydney for housing him as becomes his position. I can see no reason, therefore, for making any distinction in favour of either Sydney or Melbourne. Only one sound reason has been advanced for the maintenance of a second establishment for the Governor-General, and that is that a compact has been made with the New South Wales Government for a period of three years, ending in December, 1903. That is a valid ground for supporting the Government to that limit, but I must decline to carry the matter any further. Upon one side will be found some honorable members who take that view, and upon the other those who do not. Everything, however, will centre round this question—“What justification is there for expending Commonwealth money in the establishment and maintenance of a needless Governor-General's establishment?” I do not believe

that New South Wales is very much concerned in the maintenance by the Commonwealth of the vice-regal residence in Sydney. I think that the people of that State are worthy of every proper consideration, and that they are above entertaining the petty considerations with which they have been credited.

Mr. GLYNN (South Australia).—I cannot support the proposal of the honorable and learned member for Northern Melbourne, because I do not agree with what has been said by the honorable and learned member for Darling Downs. The latter has, with his usual fairness, put the view that if the Ministry enter into a compact we are bound to abide by it. But I would point out that there are limits to compacts imposed by the Constitution. It is not for us to ratify agreements made outside of the provisions of that Constitution. If the Ministry had entered into compacts with the Government of New South Wales, and with the Governments of the other States, to provide a residence for the Governor-General in each of them, surely the honorable and learned member for Darling Downs would not argue that we should be bound to abide by them. They are not prescribed by the Constitution. Whilst I should be prepared to support any action of the Ministry, which, upon a fair construction, is in accordance with the constitutional powers that they ought to administer, I will not be bound by every foolish compact into which they may enter. I decline to have my judgment forestalled by any executive act. The Ministry ought not to have entered into the arrangement revealed. In addition to that, the Government of New South Wales ought to have known what the Constitution prescribed. For that additional reason, we are under no moral obligation to support this compact. It must have been known that it was purely provisional, and the Government of New South Wales were very foolish to attempt to forestall our judgment by an expenditure of £20,000, because they must have known that to extend the residences of the Governor-General was not one of the powers regularly arising under the Constitution. Surely the essence of the prescription in the Constitution is that the seat of Government shall be where Parliament is sitting. I am aware that it is not expressly declared that Parliament must sit at the seat of Government. All

that is set out is that until it meets at the seat of Government, Parliament shall sit in Melbourne. But, although it is not expressly stated, we know that it is implied that the moment we have a permanent seat of Government the Parliament and the Executive must be located there. It might suit the convenience of Ministers to have a second seat of the Executive in Sydney for five or six months during the year. It might suit the Prime Minister, who comes from New South Wales, to remain there for several months each year, and have the Governor at his elbow. But we are not bound to bring about such conditions for the convenience of Ministers. If we agree to the principle laid down in this motion, we may have one set of Ministers in Victoria, and another in New South Wales. Was that ever intended? In the very resolutions adopted by the Premiers' conference, the words "seat of Government" were not used. The word "capital" was used to indicate the seat of the Executive and of Parliament. Where is the capital now? Undoubtedly it is in Melbourne, and the Executive ought to be here. All Ministers should be here. They must accept the temporary inconvenience which attaches to their positions. We should be placing ourselves in an exceedingly false position if we allowed the Treasurer and the Attorney-General to administer their departments in Melbourne, two other members of the Government to perform their duties in Sydney, and the Postmaster-General to control his department from Brisbane. We should have to get an ambulatory Governor-General, put him in a balloon, and members provide him with gas. There is another aspect of this question, namely, "Should we be quite considerate to the Governor-General himself under the proposal of the Government?" The sum of £2,000 is a very small one to vote for the upkeep of the Sydney Government-house. It almost approaches to parsimony. I do not begrudge the expenditure of that amount, but if we compel His Excellency to reside in Sydney during five or six months of the year, we shall increase the sum which he will be required to pay out of his salary of £10,000. If he has to reside for a certain period in Sydney, he will certainly have to reciprocate the courtesies extended to him, and thus we shall increase, if we do not duplicate, the number of entertainments which he will be called upon

to provide. What will follow? Simply added prestige to New South Wales. Surely the prestige for what it is worth ought to belong to the Commonwealth. Under the Government proposal, it is true that a few more social coteries would be entertained, but that will mean a considerable increase in the private expenditure of the Governor-General. He cannot remove his necessary attendants without incurring an outlay above that which he would be called upon to bear if he resided in only one Government-house. Considering that we have cut down the allowances of the Governor-General almost to the border of niggardliness, we ought not to add to his expenditure. For that reason I cannot support the duplication of the Vice-Regal establishment. I admit that any obligations imposed upon the Commonwealth by the Premiers' conference should be carried out as speedily as possible. Personally, I regret that the Federal capital cannot be established in Sydney. In regard to that matter I entertain so very little feeling, that if a proposition were made to-morrow to amend the Constitution by cancelling the 100 miles limit provision, I should support it. It was an exceedingly bad condition to impose, and originated only in the petty rival jealousies of two of the States. The Constitution has been somewhat marred by that provision, which emanated from the narrow parochialism of certain persons in Victoria and New South Wales—a parochialism which is shared by politicians more than by the people. I object to the duplication of the Vice-Regal establishments, not because of the expenditure involved, but because it is unnecessary and inexpedient, and is not an obligation cast upon us by any compact which we ought to respect.

Mr. FOWLER (Perth).—In listening to this debate, the one point which has struck me is that those who support the Government proposal urge that as it does not constitute a very great lapse from the path of economy, we might very well sanction it, especially as we have the assurance that the mistake will not be repeated. I cannot accept any such excuse for a departure from what, to my mind, involves a very important principle, namely, that the Governor-General's residence shall be established at the seat of Government. I do not concede that any other arrangement was ever intended by the people of Australia when they expressed themselves as willing to join the

Commonwealth. As far as Western Australia is concerned, it comes with a great deal of surprise to myself and others to discover that proposals were made of such a definite nature as those which have been placed before Parliament in regard to the establishment of the Governor-General in Sydney. I have to ask myself only one or two simple questions in order to arrive at a decision upon this matter. The first is, "Do the people of New South Wales as a whole really demand that His Excellency should spend a portion of his time in their capital?" I cannot find any evidence that they do. Neither can I discover that the people of Sydney, as a whole, are anxious that that course should be followed. Then I have to ask myself whether, if the question were put to him, any Governor-General would prefer to remain in any one city during a portion of the year, and to spend the balance of his time in another? I can understand that he would be naturally anxious to visit different parts of the Commonwealth, but I feel certain that he would emphatically declare that he would be better circumstanced if he were required to maintain only one Vice-Regal establishment. Therefore, I fail to discover that any useful purpose will be served by the adoption of the Government proposal. We have heard a great deal about the maintenance of a federal spirit requiring the proposed arrangement. But would not the maintenance of that spirit cover similar proposals with regard to the other States? If we are to provide two residences for the Governor-General, why should we not provide six? No reason has been alleged why we should be restricted to two. Of course we are told that Sydney and Melbourne are the two populous cities of the Commonwealth. If the claim of a State to have the Governor-General residing there is to depend upon its population, surely all the States are entitled, in greater or lesser degree, to that privilege, though, perhaps, in the case of a sparsely populated State, like Western Australia, we might have to be content with having the Governor-General's court dress sent over to us now and again. We hope that the Governor-General will visit us occasionally, and that the members of this Parliament will come, too. But we shall not worry very much if no special expenditure is voted to provide for his or their accommodation, and if they come they will experience no inconvenience because of that fact. I

Federal Government will have a home of its own.

Sir WILLIAM McMILLAN (Wentworth).—I should like to say, with regard to the proposal to limit the operation of the resolution, that it seems to me that we should be true to ourselves as a business Chamber. If the proposal of the Government is anything at all, it is a proposal to enable them to communicate with the Home authorities as to the actual financial position regarding the establishment of future Governors-General. It seems to me to be a very reasonable and sensible proposal. If we carry out the suggestion of the honorable and learned member for Northern Melbourne, and confine the operation of the resolution to a period of three years, can we expect that a Governor-General will come here under conditions which may be altered during his term of office? I think it would be far better to deal with the matter on the good faith of the Government. They have decided that this is to be taken as an interim provision, subject to alteration in the light of further experience. There are many things which we are doing in this Commonwealth in connexion with which it is impossible for any one to know all the conditions and expenses involved. It would certainly be more business-like to have a proposal which will undergo no change during the term of office of a Governor-General. I am sure that, for the sake of the honour of this House and the credit of its business capacity, honorable members will not consent to a proposal limiting the operation of this resolution to a period of three years, when a Governor-General may be in the middle of his term of office.

Mr. BROWN (Canobolas).—One of the matters which should be considered in dealing with this question is the extent to which the State and people of New South Wales were induced to look to the Commonwealth Government for some arrangement of this character. I know it has been denied that there was anything in the nature of an agreement between the State of New South Wales and the Commonwealth, or between the State of New South Wales and the State of Victoria, regarding this matter. Whilst it is probable that there is nothing in the Federal Constitution relating to the matter, and that there may be nothing in the nature of a formal agreement between the States bearing upon it, I

still think there was a certain understanding anterior to federation between the people and Government of New South Wales and the peoples and Governments of the other States, and particularly of Victoria, who were engaged in negotiations which finally led up to the acceptance of the Constitution by the people of New South Wales.

Mr. POYNTON.—Sir George Turner, as Premier of Victoria at the time, has denied it.

Mr. BROWN.—I have not heard his denial, and I should like to be sure that he denies that there was any understanding of that character.

Mr. DEAKIN.—He does deny it.

Mr. BROWN.—I have it now from the Acting Prime Minister that Sir George Turner does deny it, and that being so, I am bound to say that the people of New South Wales were under a misapprehension in regard to the matter. When the Constitution was defeated on the first referendum, there were negotiations between the Premiers of the States which led up to what was known in New South Wales as "the secret conference," a conference of the Premiers representing the different States in which certain agreements were arrived at. How they were arrived at is kept secret, because the meetings were not open to the press, and the press and the public were only informed that certain conclusions had been arrived at. These were embodied as alterations in the Constitution, which was then submitted to a referendum vote, not only of the people of New South Wales, but of the peoples of the other States who had approved of the original Constitution, with the difference, of course, that on the second occasion Queensland was induced to come in. That State took no part in the first referendum, and at that stage appeared to have made up her mind to stand outside of the federal movement for the time being. It was represented to the people of New South Wales that, as the result of the Premiers' conference, certain arrangements were to be made, and, amongst others, that the federal capital should be located in New South Wales, subject to certain limitations, and that in the meantime the Federal Parliament should meet in Melbourne. What the people of New South Wales were led to believe, and what many of them now

believe, was that the understanding arrived at by the conference was that, whilst the Commonwealth Parliament should meet in Melbourne, it should be necessary for the Governor-General to reside in that city, and it was therefore necessary that the State of Victoria should make provision for his residence. It was also understood that during the recess, when honorable members had returned to their respective States, the Governor-General, if he chose, should reside in the chief city of New South Wales. That was one position placed before the people of New South Wales prior to the taking of the referendum.

Mr. McCAY.—Does the honorable member say that any federal leader in New South Wales asserted that that was an understanding?

Mr. BROWN.—I am not prepared now to name any federal leader who asserted that, but I think I can be borne out in the statement that that impression was prevalent in New South Wales. So far as I am personally concerned, that consideration had no weight with me, because when the question of remitting the decision as to the seat of the Federal Government to the Premiers' conference was proposed in the State Parliament of New South Wales, I was one of the few who voted against it. I considered that there were other issues, of far greater importance, which should receive attention. But in battling against the acceptance of the Constitution on the second referendum, I was met with this argument at nearly every meeting I addressed: It was contended that there would be no injustice done to New South Wales under the arrangement that the Governor-General should divide his residence in the Commonwealth between that State and Victoria during the time preceding the allocation of the federal territory. This was an important consideration in the minds of the people of New South Wales, and was urged very strongly as an inducement to them to adopt the Constitution. There were indications of some general understanding, because the Government of New South Wales initiated legislation making provision for a contribution by that State towards the expenses of the Governor-General's establishment. The Premier of Victoria introduced similar legislation into the Parliament of that State, and if he had been sufficiently supported, Victoria would have stood committed to a contribution of £3,000 per

annum. Now we are told that this action was taken quite apart from any understanding arrived at by the Premiers of the States. I am bound to accept the assurance of the Acting Prime Minister that there was no understanding, but it is difficult to conceive how such a strong impression could have been created in the minds of the legislators and the people generally of New South Wales in the absence of some compact such as has been referred to. The Premier of Victoria, at least, thought at one time that an arrangement of this kind should be entered into, and there must have been some common inspiration for his action, and that taken by the Premiers in other States. We were not informed in New South Wales that the course adopted by the Government of New South Wales was the result of despatches received from the Secretary of State for the Colonies, but we were led to believe that it was due to an understanding arrived at between the Premiers at the conference held by them some little time before. The matter has now reached such a stage that this Parliament is in duty bound to adopt the Government proposals. If the people of New South Wales were misled, their misapprehension should have been corrected before this, as it is rather late in the day to disillusionise them. It will be difficult to induce them to believe that there was no understanding, and any attempt to vary the arrangements for the residence of the Governor-General in Sydney will be regarded by them as a manifestation of an anti-federal spirit. I do not see that there is any great objection to the Governor-General visiting the capitals of the Commonwealth. It is not desirable that the Governor-General should be tied to Melbourne while the seat of government is in that city, or that, when the Federal Parliament is established in its permanent home, we should place a ring fence around the capital and prevent the Governor-General from visiting the capitals of the various States.

Mr. POYNTON.—Would the honorable member be in favour of maintaining six establishments—one in each of the capitals?

Mr. BROWN.—I am prepared to grant to His Excellency every facility for visiting the States, and if the Government of South Australia will place a residence at his disposal, I am willing that that State should be treated in exactly the same way as the others. The honorable member for Tasmania,

Mr. O'Malley, has stated that there is no necessity for a Governor-General in a democracy, but that question should have been dealt with when the Constitution was being framed. It is all very well to talk about the appointment of a Governor-General being inimical to a true democracy, but if the honorable member for Tasmania, Mr. O'Malley, will turn to the United States, he will see that the people there have been ground down by multi-millionaires to a far greater extent than have the people under our system of government. If the honorable member wishes to do away with those elements in the community that are detrimental to the best interests of democracy he will require to turn his attention first to the abolition of multi-millionaires and trusts. As a federation under the Crown we must have some one representing the Crown. The honorable and learned member for Northern Melbourne denied that there was any question of federal feeling involved in this matter, and he stated that he would be loth to do anything that would convey the impression to the people of New South Wales that the opposition to the residence of the Governor-General in Sydney was due to the existence of an anti-federal spirit in Victoria. At the same time the honorable and learned member wishes to limit the operation of the motion to the period for which the Ministers have entered into an arrangement with the Government of New South Wales. I would point out, however, that if it is a good thing to ratify the arrangement entered into for that period it should be just as desirable to continue it until such time as the Federal Parliament is located in its permanent home.

Mr. POYNTER.—Does not the honorable member see that the motion provides for the residence of the Governor-General in Sydney for all time?

Mr. BROWN.—I do not agree with the honorable member. It simply provides for the residence of the Governor-General in Sydney during the period which must elapse before the federal capital is established. When the residence of the Governor-General has been established within federal territory, it will be open to this Parliament to decide whether the present arrangement in respect of Melbourne, and the proposed arrangement in respect of Sydney, or any of the other State capitals shall continue. Honorable members should recollect that in

anticipation of that compact being honorably carried out, the Government of New South Wales, at considerable expense to themselves, have handed over the State Government-house for the accommodation of the Governor-General. They have arranged for the accommodation of the State Governor elsewhere. Are they now to be told that that arrangement was made upon their own initiative, and that the federal authorities are under no obligation in respect to it? That would be an unfair position to assume towards the Government or people of New South Wales. I intend to support the proposal which has been submitted by the Attorney-General, because I believe that it loyally carries out pre-federal arrangements. Instead of the people of New South Wales forcing this matter on by misrepresentation, it seems to me that if the compact is not carried out they will have every right to complain.

Mr. McCAY (Corinella).—In listening to this debate, I was very much surprised at the statement made by some honorable members from across the border that in New South Wales the Constitution was carried because it was understood that the Governor-General was to reside there for a few months in each of a few years. Without doubting the veracity of any honorable member, that statement appears to me to be almost incredible. There was no State in the Union in which the Constitution in all its bearings was so fully discussed as it was in New South Wales, and under those circumstances I can scarcely realize that such a comparatively unimportant matter as where the Crown's representatives should reside during a few of the earlier years of the federation carried so much weight. But leaving out of consideration what was the understanding, it seems to me that this is not a question of whether Victoria or New South Wales is to hold up the body of the Governor-General for a few years as the spoils of war. The question is whether we are to establish a good or bad precedent regarding the expenditure of moneys belonging to the public, who we know are insistent that this Parliament shall exercise economy in every possible direction.

Mr. WILKS.—Let us have a speedy settlement of the capital site.

Mr. McCAY.—I have not the slightest objection to the adoption of that course. I think it was a huge mistake to insert

in the Constitution the provision relating to that matter, and to bar all the other State capitals from becoming the future federal capital. The 100-miles ring around Sydney is not nearly as big as is the ring around the other capitals. I should be perfectly willing to put the names of Sydney, Melbourne, and Adelaide in a hat, and to draw lots as to which should be the capital. But, after all, the determination of this question, or of the temporary residence of the Governor-General, is of small importance compared with the great matters at issue in connexion with the federation. I cannot assume that the people of New South Wales would believe that that State had been wronged if Parliament declined to vote an annual sum of £2,000 for the maintenance of the vice-regal establishment in Sydney. The real question at issue is, whether in expending this money, we are setting a good example in regard to economies which must be exercised by this Parliament in all sorts of directions for years to come, if the States are to be assisted in keeping down unnecessary expenditure. It has been said, and certainly the correspondence was laid upon the table to-day induces the belief, that we have entered into a sort of tenancy in respect of the Government-houses in Sydney and Melbourne. Granting that that is so, I cannot see why we should ask the people of the Commonwealth to continue that tenancy any longer than is necessary. In each case the contract expires at the end of 1903, and I do not see why it should continue one moment longer. In certain despatches it is even suggested that when the Federal capital is established a third residence should be provided for the Governor-General. Apparently we are to have one residence at the Federal capital, another at Melbourne, and a third at Sydney. When the Federal capital has been established within Commonwealth territory, I shall certainly refuse to vote for the maintenance of any vice-Regal residence, either in Melbourne or Sydney. I would not now vote for the upkeep of the Government-house in Melbourne, if Parliament were not sitting here. But where Parliament is in session, there the Governor-General must be located. It is, therefore, absolutely necessary that the Governor-General should have an establishment in Melbourne. That is unavoidable in the carrying on of the Government of the country, and that is the

reason why I distinguish between the two portions of this motion. I am satisfied that the possibility of having the Governor-General's presence in Melbourne for a few months each year did not induce the people of Victoria to accept the Federal Constitution. They accepted it——

Mr. WILKS.—Because they thought it was a good bargain.

Mr. McCAY.—I am sure that if they entertained that impression they are very much disappointed. But the fact is that they accepted it because they believed that Victoria, like the rest of Australia, would benefit by the union, and in spite of all that has been said, I think that most of us believe that this great machine, so soon as its bearings get into proper order, will work smoothly. There was bound to be trouble at the beginning, and that trouble has been accentuated by the great drought which has overtaken Australia. I do not think that New South Wales will consider that she has been grievously wronged if Government-house is not kept open for the occupation of the Governor-General during four or five months in each year. It is because I feel that the maintenance of two vice-Regal establishments constitutes an example of unnecessary expenditure in high places that I cannot support the proposal of the Government. In discussing matters of this kind, the people seize upon points here and there. They will be only too ready to say—“You have spent so many thousands of pounds in connexion with the Governor-General, and yet you refuse to expend a thousand pence to assist certain people who are in very much more need of it.” In spite of the moral effect which the presence of His Excellency might have upon Sydney, I think that its natural attractions are quite sufficient. I feel bound to abide by the bargain which I consider has been made, and which must continue for three years from the date of the inauguration of the Commonwealth, much as I disapprove of it. It would be quite useless, however, to continue that arrangement until just after the beginning of a Governor-General's term of office. I hold that the Government should not have made such an arrangement until it had ascertained the wishes of Parliament in this matter. Occasionally, however, the Government have assumed too much and have discovered that their ideas concerning the wishes of this House have been very much at fault. I feel bound to express my disapproval of

the motion, and in the performance of what I conceive to be my duty, but in no spirit of hostility to my friends across the border, to vote against it.

Mr. HENRY WILLIS (Robertson).—I think that something should be said by the representatives of New South Wales in regard to the proposal of the Government to expend £5,500 upon the up-keep of the Government-houses in Sydney and Melbourne, because honorable gentlemen opposite appear to have overlooked the fact that an agreement was entered into with the Government of New South Wales to lease the Government-house in Sydney for a period of three years, with the right of renewal for another two years. In view of that agreement, the Government of New South Wales spent £20,000 in adding to the building, and another £7,000 in providing a residence for the State Governor. Yet honorable gentlemen opposite tell us that they did not know of any such agreement.

Mr. KENNEDY.—Was not the expenditure to which the honorable member refers entered into before the agreement was made?

Mr. HENRY WILLIS.—It was incurred in view of the possibility of Government-house being used by the Governor-General.

Mr. KENNEDY.—The Federal Government had not committed themselves at the time.

Mr. HENRY WILLIS.—I think there was an understanding that the Governor-General should reside in Sydney for a certain period of the year. If the honorable member is of the opinion that £20,000 was spent upon the building because it was in a state of disrepair, I would like to inform him that only a short time previously something like £7,000 was spent in renovating it for the reception of Lord Beauchamp, and that every year a large sum of money is voted for its maintenance. Had there been no agreement with the Federal Government it would not have been necessary to provide a residence for the State Governor, but as that has been done, and as the New South Wales Government have spent a large sum in adding to and improving the old Government-house, because of the agreement with the Federal Government, it is the duty of this Parliament to see that the agreement is honorably kept. There is no inclination on the part of the Government to withdraw from it, but some of their supporters seem to be unable to

find a reason for supporting them on this occasion. I would point out to the representatives of Victoria that the agreement in regard to the Government-house, Melbourne, is no more binding than the agreement in regard to the Government-house, Sydney. That being so, why should they wish the Government to withdraw from one and to fulfil the other? The attitude of those honorable gentlemen is a display of that provincialism of which we have heard so much. There may be a feeling on their part that, if the Governor-General resides in Sydney, the occupancy of Government-house, Melbourne, may be on a less firm and lasting footing. I do not wish to see the Governor-General continue to reside in Melbourne, because another compact was entered into with New South Wales, and that was that the federal capital and the permanent residence of the Governor-General should be within the borders of that State; but until the federal capital is chosen I think the Governor-General should live part of the year in Sydney, and part of the year in Melbourne. Apparently provision has been made for the occupancy of the Sydney Government-house for four months in the year. The representatives of Victoria cannot find much to grumble at in that, seeing that he will reside eight months in Melbourne. New South Wales is being called upon to occupy a position second to that of South Australia in this matter, because Lord Tennyson, since he has been Acting Governor-General, has made several trips to Adelaide, while he has not been to Sydney at all, and we have no guarantee that that state of things will not continue.

Mr. McDONALD.—Why should there not be a Commonwealth Government-house in Adelaide?

Mr. HENRY WILLIS.—I have no objection to the Governor-General visiting Adelaide. In my opinion it is his duty to make himself seen and known in every State capital. When I was in Canada, I was informed that the Dufferin-mansion, at Quebec, is occupied for a period every year by the Governor-General of the Dominion, and the representatives of New South Wales ask that Government-house, Sydney, shall be similarly occupied by the Governor-General of Australia. Sydney is the most important city in the union.

Mr. A. McLEAN.—Not in point of population!

Mr. HENRY WILLIS.—In commerce and in wealth, while the State of New South Wales occupies the enviable position of containing one-third of the population of Australia. Is it not reasonable that the Governor-General should reside for part of the year in so important a State—the State which will be the home of all future Governors-General? The honorable and learned member for Northern Melbourne says that he has no desire to see the capital remain in Victoria, but I am inclined to think that among Victorian representatives he is very much alone in that opinion.

HONORABLE MEMBERS.—No.

Mr. HENRY WILLIS.—I am glad to hear honorable gentlemen say “No.” It indicates a desire to do the correct thing, and the first step to be taken in that direction is to honorably keep the compact entered into in regard to the occupancy of the Sydney Government-house.

Mr. FOWLER. — If the Sydney people see as much of the Governor-General as the Melbourne people do, they may become satisfied, and not push forward the federal capital question.

Mr. HENRY WILLIS.—I do not think there is any fear of that. Perhaps, individually, the people of New South Wales do not regard this matter as of much importance, but they wish to see the position of Governor-General properly maintained, and they consider that for the proper maintenance of the position it is necessary that he should reside for at least one-third of the year in Sydney. A great deal has been said about the expense of this arrangement, but it must not be forgotten that at least £1,000, or more than a third of the whole amount, will be provided by the people of New South Wales, and, as they have already spent so large a sum in providing for the accommodation of the Governor-General in Sydney, surely the people of the other States will not hesitate to make up the balance of the expenditure.

Mr. L. E. GROOM (Darling Downs).—When a somewhat similar question was before Parliament on a previous occasion honorable members took up an attitude in connexion with it which I think has met with the approval of the people outside. Our attitude then was that we desired to see the office of the Governor-General upheld with dignity, and were willing to provide a reasonable allowance to that end. But we wished it to be distinctly

understood that the occupancy of the position should be in accordance with the ideals of the Commonwealth, which were ideals of simplicity and of economy. The proposal to expend £13,030 upon the upkeep of the Governor-General's establishment has now been reduced to £5,500, which shows that the Government are taking their lesson to heart.

Mr. POYNTON.—Does the honorable and learned member think that the amount now set down will cover the whole cost?

Mr. L. E. GROOM.—We have been informed by the Acting Prime Minister that Commonwealth officials have inquired carefully into the whole matter, and think that the sum set down is sufficient. It is possible that there may be some increase, but the reduction already made is very great.

Mr. POYNTON. — Did not the Acting Prime Minister state as a reason why a Bill was not introduced that he was not sure that this sum would be found sufficient?

Mr. L. E. GROOM.—No. I understood the honorable gentleman to say that this proposal would be taken as a working basis, and that if it was afterwards found to require revision it could be revised. But it does not follow that the amount is going to be increased from £5,000 to £13,000. As the Commonwealth grows there is no doubt that our expenditure will increase; but I shall not be a party to any very great increase over and above the amount of £5,500 now proposed for this purpose. I intend to support the proposal to maintain both Government-houses. The matter has been stated in several ways. It has been argued that there should be but one establishment maintained for the Governor-General, and that until the federal site is formed, that establishment should be maintained in Melbourne. To my mind there are two possible sites for the Governor-General's residence, and if it is decided that we should have only one, the question arises whether there is to be a fair run between Sydney and Melbourne.

Mr. McDONALD. — Another point is, whether two residences are to be continued.

Mr. L. E. GROOM.—That is another aspect of the question. Here we are asked to lay down the principle that there shall be two residences, and honorable members from States other than New South Wales, and particularly from Victoria, have said that there should be only one, and that that should be Melbourne. In my opinion, if

the whole question is viewed fairly, we are bound to continue for some considerable time the two residences which have been selected. The honorable and learned member for Corinella seemed to say that if it were a question of the Commonwealth being legally bound to New South Wales, he would be inclined to accept the position. Then he said afterwards that he could not accept a half-way arrangement. He did not put his position very clearly, but the impression he left upon my mind was that, if he were satisfied that an agreement had been made between the Federal Government and the Government of New South Wales, he would be prepared to abide by that agreement. While honorable members have been speaking, I have gone carefully through the correspondence, and I have come to the conclusion, as regards the making of a contract, that if this were a contract between two private individuals, and brought before a court of equity, on the correspondence which has taken place, together with the acts of possession and ownership exercised over the property in New South Wales, the court would decree specific performance in the case of either party to the contract. The correspondence starts as early as 18th June, 1901, when the Prime Minister writes as follows to the Premier of New South Wales:—

I shall be glad if you will kindly take into your early consideration the question of the occupancy of Government-house, Sydney, by the Government of the Commonwealth, for the purpose of a residence for His Excellency the Governor-General. It will probably be necessary to arrange for the occupation of the buildings and grounds for a term of three or five years, and I shall be pleased to receive any proposals you may have to make upon the subject. The Commonwealth Government will, as a matter of course, maintain the house, offices, grounds, &c., and effect any repairs which may become necessary during the term of occupancy.

After that letter was written a similar letter was written to the Premier of Victoria, and the correspondence shows that the head of the Government, acting evidently upon Executive authority, entered into a contract with the Commonwealth through its Executive officers. We may disapprove of the conditions of a particular contract, but when it has been entered into by the persons whom we have placed in a position to make contracts on our behalf, the Commonwealth, as a whole, will feel itself bound by the act of its Executive officers. We can only act through agents,

Mr. L. E. Groom.

and we are bound by their acts, although we may disapprove of particular terms of a contract. It will be found that ultimately the Prime Minister of the Commonwealth wrote to the Premier of New South Wales asking whether the Government of New South Wales were prepared to lend Government-house in Sydney to the Commonwealth for the purpose of residence by the Governor-General, upon the same terms and conditions as Government-house in Victoria had been lent by the Government of that State. It will be seen from the correspondence that the Premier of New South Wales was agreeable to the occupancy of Government-house in Sydney upon the same terms. Throughout the correspondence it will be seen that definite terms are set out, and that a draft of a lease was before the two Cabinets. Then the Premier of New South Wales accepted it, and the Commonwealth Government accepted it. Not only did they do that, but the Commonwealth Government absolutely entered into possession of the building, and exercised effective ownership by appointing their own caretakers and making the repairs. On the other hand, the State Government of New South Wales ceased to exercise any control whatever over it, and became parties to another lease, making provision, at great expense, for a residence for the State Governor for a long term of years. If honorable members were, through an agent, parties to a contract with a private individual, established under the terms of the contract agreed to by the Federal Government, they would feel that they had bound themselves to take Government-house in Sydney for a definite term of years.

Mr. CROUCH.—The approval of Parliament is always a condition.

Mr. L. E. GROOM.—No, it is not always a condition. A hundred and one contracts are made by administrative officers, and if the approval of Parliament were always a condition, it would be impossible for Ministers to carry on the work of their departments, involving, as they do, the making of numerous small contracts. It is true that Parliament may exercise its power by refusing to appropriate money for certain purposes, but Parliament will very rarely inflict a hardship upon persons who have entered into a contract with the Government. Looking at the question purely as a question of law, I am of opinion that as regards New South Wales and the Commonwealth, we

have entered into a binding contract with the Government of New South Wales to occupy Government-house at Sydney for three years, and, whether the Governor-General resides there or not, we are under an obligation to maintain it, to look after the grounds, to keep the property in repair, and to keep it properly insured, or at all events to be responsible for it, and at the end of the term to hand it over in as good condition as when we entered it. That being so, I feel that it is necessary that we should vote for the amount set down in this proposed estimate. I put the matter now upon another ground, and I say that we owe a duty to New South Wales to carry out what may be really only an understanding. We know that these understandings cannot be enforced in a court of law. Honorable members from New South Wales do not ask for that, but they appeal to the court of honour, and ask honorable members of this House to agree to their request. What they ask is, to my mind, fair and just. They do not allege that this understanding induced New South Wales to enter the federation, but that the people of New South Wales believed that the Governor-General, as representing the sovereign power and authority underlying federation, and as the figure-head of the Commonwealth, would reside for a certain time in their capital city. If we deprive them of that which they would regard as an honour they will be aggrieved. They, in my opinion, have had reason to believe that the Governor-General would reside in their capital city during a certain portion of the year, and I think that the Commonwealth is in duty bound to carry out the understanding. I understand that the New South Wales members do not ask for this because of any provincial feeling, but because they think that in the first stages of the existence of the Commonwealth the people of the different States should live as a happy and united family, and that there should be a kindly and brotherly feeling pervading the Commonwealth.

Mr. CROUCH.—They say — “Give us what we want and we will be federal in spirit.”

Mr. L. E. GROOM.—No, they do not ask that we should give them what they want, but the people of New South Wales believed that this promise would be fulfilled, and they will feel aggrieved if it is not

fulfilled. Though as free-traders and protectionists we may differ in this House, we know that the federal feeling exists amongst us, and I understand that it is upon this high ground that this matter is put by the honorable members from New South Wales.

Mr. McDONALD.—We shall have to get upon high ground in Queensland, and have an establishment in Brisbane.

Mr. L. E. GROOM.—We may have to fight for the federal feeling, and I believe we shall have the assistance and sympathy of honorable members of this House if the contention is urged in a federal spirit, which I think is a spirit characteristic of honorable members from our State. I have looked through the correspondence also with respect to the second point—as to whether the people of New South Wales had any reasonable ground for believing that Sydney was to be a place of residence for the Governor-General even for a certain time. In my opinion, the correspondence shows that they had every reason to believe that. In the first place, we know that the proclamation was to be issued in Sydney, and on looking through the correspondence and cablegrams dealing with the matter, it would seem as if the Premiers of Australia some time prior to the 7th July, 1900, were consulted upon the matter. They, of course, had no legal power to bind their Parliaments, but they were looked to as persons who, from the positions they occupied, were competent to express the public opinion of their States.

An HONORABLE MEMBER.—They deny that.

Mr. L. E. GROOM.—I do not care whether they deny it or not. I am pointing out that such facts as these would lead to the belief in the minds of the people of New South Wales that an agreement or understanding of some kind existed. On the 7th July, 1900, Earl Beauchamp, who was then Governor of New South Wales, sent the following telegram to the Secretary of State for the Colonies:—

Re your telegram of 6th July—My Prime Minister desires to introduce next week Bill dealing with the question of State Governors after federation. He is anxious to have your permission to state that you desired Barton to inquire where Governor-General should reside, and that in answer to your request Prime Ministers of federating colonies consulted and agreed to New South Wales.

Mr. KENNEDY.—That is denied.

Mr. L. E. GROOM.—Assuming that it is denied, the question is whether the people of New South Wales had any reason for believing that an arrangement had been entered into, and I am showing that persons in very high positions in New South Wales entertained this idea.

Mr. McDONALD.—Then we should have their testimony upon the subject.

Mr. L. E. GROOM.—It is not a question of testimony. The point is whether the people of New South Wales had any reason to believe that a compact had been made, and I am pointing out that they had. I can rely only upon the evidence before us. It may be misleading, but it is vouched for by very high authorities, and must be accepted until we have some stronger written testimony to set against it. There are further telegrams on the same question in which expressions similar to those quoted by me will be found. We know that there was some communication with the Home Government when the Secretary of State for the Colonies issued a despatch dealing with the provision to be made for the residences of the Governor-General in New South Wales and Victoria, and prior to that despatch the Parliament of New South Wales, evidently acting upon some understanding, passed a Bill providing for a contribution by the State to the expenses of the Governor-General. The Parliament of New South Wales believed that the Governor-General was to reside in Sydney, and everything was directed to that end. Through every act that was performed by persons in authority—by the Parliament, by the State Governor, and by the Secretary of State for the Colonies—the people of New South Wales had held out to them the expectation that, for a certain time at least, the Governor-General would reside in Sydney.

Mr. ISAACS.—Solely in that State?

Mr. L. E. GROOM.—No, for a certain time only.

Mr. McCAY.—But they had no such impression prior to the second referendum.

Mr. L. E. GROOM.—I do not know that the referendum has anything to do with this particular promise. The people accepted the Constitution because they thought that New South Wales was to have the federal capital located within her territory. The people of that State will feel that they have a substantial grievance if the arrangement which they believed to have been entered

into is not carried out. They have spent large sums of money in fitting up Government-house as a residence for the Governor-General, and they will have just reason to complain if we do not keep faith with them. If it were open to me to decide from the beginning, I should be strongly opposed to the maintenance of two residences for His Excellency the Governor-General. I should much prefer one residence for His Excellency, and that adequate provision should be made for him to travel through the whole of the States. His occasional presence in the various cities would help materially to strengthen the federal feeling. The States which are more remote from the centres of federal activity do not receive many visits from those in authority and those who represent authority in the Commonwealth, and in this way federal influence is weakened. I regard the proposals of the Government generally as just and reasonable, and as economical to an extent which will meet with the approval of honorable members. I shall, therefore, cordially support them.

Mr. ISAACS (Indi).—The views expressed by the honorable member for Darling Downs would lead to the conclusion that for all time there must be a Governor-General's residence in Sydney. Nothing else will meet the logic of his arguments, because he has told us that in his view there has been a compact or agreement made—by whom we do not know, and when and where we are not told. The details of this agreement are delightfully vague and nebulous, and all that the honorable member can tell us is that it was made at some place by some one. Does any one believe that it was ever supposed that Sydney should be the sole place of residence for the Governor-General for all time? Yet this is the conclusion that my honorable and learned friend desires us to indorse. We are asked to believe that it was agreed that the residence of the Governor-General should be in New South Wales, and that is the bargain which my honorable and learned friend says could be enforced in a court of law.

Mr. L. E. GROOM.—No; I did not say that. The honorable and learned member is mixing up two entirely different questions.

Mr. ISAACS.—I should like to know if any court would compel the Governor-General to live in any particular State. This matter ought to be determined upon

other grounds than those advanced here to-night. The Government have done right in asking for an expression of opinion from honorable members as to their desires with regard to the basis upon which the Governor-General's establishment shall be founded. We are asked under the terms of the motion to say that two Government-houses shall be maintained at an annual expenditure of £5,500. The Acting Prime Minister has very fairly, and very properly, put it to us that, until they obtain an expression of opinion from honorable members, the Government will not be in a position to inform the Home Government as to what the future Governor-General may expect, and therefore it is right that they should bring down their proposals at the earliest possible moment.

Mr. DEAKIN.—I am prepared to add to the motion words providing that it shall apply during the term of office of the next Governor-General.

Mr. ISAACS.—That may be in perfect keeping with the view which the Acting Prime Minister has presented, but I do not agree with it. It goes further than I am disposed to follow, but it is a fair proposal to make to the House, and the Government are adopting a proper method of procedure. Speaking for myself, however, I am not disposed to go further than to ratify the bargain which has been actually made by the Government. Ministers ought to be supported to the extent to which they have committed the honour of the Commonwealth in the bargain made with the New South Wales Government up to the end of the year 1903. I am prepared to support them thus far, but beyond that I am not going, because I cannot see where we should be able to stop. If we adopt the suggestion of the Acting Prime Minister, and limit the operation of the motion to the term of office of the next Governor-General, we might reasonably be called upon afterwards to continue the arrangement for all time. Why should not the Governor-General following enjoy the same advantages as were conferred upon his immediate predecessor? Our friends from New South Wales have taken up a position which we scarcely expected them to adopt. If they had argued that the Governor-General could not perform his duties without a residence in Sydney, I could understand their point. I am not, however, disposed to agree with them that because

Sydney is said to be the greatest city in Australia, and more wealthy and important and more fortunate than any other, we should call upon the other less fortunate States to contribute to its still further aggrandizement. We should be careful to see that there is only one establishment for the Governor-General in Australia. I may not be here when the time comes to carry out that view, but I think that it would be distinctly improper to have a Governor-General's establishment in either Melbourne or Sydney, when the federal capital is established. I should be opposed to any such proposal. At the same time, I do not think that, even in view of the revilings Victoria has received at the hands of the honorable member for Dalley—who has done more to damage the cause of New South Wales than any other honorable member in this Chamber—we should depart from the strict path of duty by failing to support the Government in carrying out the compact into which they have entered with the Government of New South Wales. There would, however, be no justification for asking Western Australia, South Australia, Tasmania, and Queensland to help in maintaining an unnecessary establishment for the Governor-General in another State. The Governor-General has to visit other parts of the Commonwealth, and when he goes to Perth, or Brisbane, or Hobart he is able to make adequate arrangements for his comfort and for carrying out his duties. Surely similar provision can be made in Sydney for housing him as becomes his position. I can see no reason, therefore, for making any distinction in favour of either Sydney or Melbourne. Only one sound reason has been advanced for the maintenance of a second establishment for the Governor-General, and that is that a compact has been made with the New South Wales Government for a period of three years, ending in December, 1903. That is a valid ground for supporting the Government to that limit, but I must decline to carry the matter any further. Upon one side will be found some honorable members who take that view, and upon the other those who do not. Everything, however, will centre round this question—“What justification is there for expending Commonwealth money in the establishment and maintenance of a needless Governor-General's establishment?” I do not believe

that New South Wales is very much concerned in the maintenance by the Commonwealth of the vice-regal residence in Sydney. I think that the people of that State are worthy of every proper consideration, and that they are above entertaining the petty considerations with which they have been credited.

Mr. GLYNN (South Australia).—I cannot support the proposal of the honorable and learned member for Northern Melbourne, because I do not agree with what has been said by the honorable and learned member for Darling Downs. The latter has, with his usual fairness, put the view that if the Ministry enter into a compact we are bound to abide by it. But I would point out that there are limits to compacts imposed by the Constitution. It is not for us to ratify agreements made outside of the provisions of that Constitution. If the Ministry had entered into compacts with the Government of New South Wales, and with the Governments of the other States, to provide a residence for the Governor-General in each of them, surely the honorable and learned member for Darling Downs would not argue that we should be bound to abide by them. They are not prescribed by the Constitution. Whilst I should be prepared to support any action of the Ministry, which, upon a fair construction, is in accordance with the constitutional powers that they ought to administer, I will not be bound by every foolish compact into which they may enter. I decline to have my judgment forestalled by any executive act. The Ministry ought not to have entered into the arrangement revealed. In addition to that, the Government of New South Wales ought to have known what the Constitution prescribed. For that additional reason, we are under no moral obligation to support this compact. It must have been known that it was purely provisional, and the Government of New South Wales were very foolish to attempt to forestall our judgment by an expenditure of £20,000, because they must have known that to extend the residences of the Governor-General was not one of the powers regularly arising under the Constitution. Surely the essence of the prescription in the Constitution is that the seat of Government shall be where Parliament is sitting. I am aware that it is not expressly declared that Parliament must sit at the seat of Government. All

that is set out is that until it meets at the seat of Government, Parliament shall sit in Melbourne. But, although it is not expressly stated, we know that it is implied that the moment we have a permanent seat of Government the Parliament and the Executive must be located there. It might suit the convenience of Ministers to have a second seat of the Executive in Sydney for five or six months during the year. It might suit the Prime Minister, who comes from New South Wales, to remain there for several months each year, and have the Governor at his elbow. But we are not bound to bring about such conditions for the convenience of Ministers. If we agree to the principle laid down in this motion, we may have one set of Ministers in Victoria, and another in New South Wales. Was that ever intended? In the very resolutions adopted by the Premiers' conference, the words "seat of Government" were not used. The word "capital" was used to indicate the seat of the Executive and of Parliament. Where is the capital now? Undoubtedly it is in Melbourne, and the Executive ought to be here. All Ministers should be here. They must accept the temporary inconvenience which attaches to their positions. We should be placing ourselves in an exceedingly false position if we allowed the Treasurer and the Attorney-General to administer their departments in Melbourne, two other members of the Government to perform their duties in Sydney, and the Postmaster-General to control his department from Brisbane. We should have to get an ambulatory Governor-General, put him in a balloon, and members provide him with gas. There is another aspect of this question, namely, "Should we be quite considerate to the Governor-General himself under the proposal of the Government?" The sum of £2,000 is a very small one to vote for the upkeep of the Sydney Government-house. It almost approaches to parsimony. I do not begrudge the expenditure of that amount, but if we compel His Excellency to reside in Sydney during five or six months of the year, we shall increase the sum which he will be required to pay out of his salary of £10,000. If he has to reside for a certain period in Sydney, he will certainly have to reciprocate the courtesies extended to him, and thus we shall increase, if we do not duplicate, the number of entertainments which he will be called upon

to provide. What will follow? Simply added prestige to New South Wales. Surely the prestige for what it is worth ought to belong to the Commonwealth. Under the Government proposal, it is true that a few more social coteries would be entertained, but that will mean a considerable increase in the private expenditure of the Governor-General. He cannot remove his necessary attendants without incurring an outlay above that which he would be called upon to bear if he resided in only one Government-house. Considering that we have cut down the allowances of the Governor-General almost to the border of niggardliness, we ought not to add to his expenditure. For that reason I cannot support the duplication of the Vice-Regal establishment. I admit that any obligations imposed upon the Commonwealth by the Premiers' conference should be carried out as speedily as possible. Personally, I regret that the Federal capital cannot be established in Sydney. In regard to that matter I entertain so very little feeling, that if a proposition were made to-morrow to amend the Constitution by cancelling the 100 miles limit provision, I should support it. It was an exceedingly bad condition to impose, and originated only in the petty rival jealousies of two of the States. The Constitution has been somewhat marred by that provision, which emanated from the narrow parochialism of certain persons in Victoria and New South Wales—a parochialism which is shared by politicians more than by the people. I object to the duplication of the Vice-Regal establishments, not because of the expenditure involved, but because it is unnecessary and inexpedient, and is not an obligation cast upon us by any compact which we ought to respect.

Mr. FOWLER (Perth).—In listening to this debate, the one point which has struck me is that those who support the Government proposal urge that as it does not constitute a very great lapse from the path of economy, we might very well sanction it, especially as we have the assurance that the mistake will not be repeated. I cannot accept any such excuse for a departure from what, to my mind, involves a very important principle, namely, that the Governor-General's residence shall be established at the seat of Government. I do not concede that any other arrangement was ever intended by the people of Australia when they expressed themselves as willing to join the

Commonwealth. As far as Western Australia is concerned, it comes with a great deal of surprise to myself and others to discover that proposals were made of such a definite nature as those which have been placed before Parliament in regard to the establishment of the Governor-General in Sydney. I have to ask myself only one or two simple questions in order to arrive at a decision upon this matter. The first is, "Do the people of New South Wales as a whole really demand that His Excellency should spend a portion of his time in their capital?" I cannot find any evidence that they do. Neither can I discover that the people of Sydney, as a whole, are anxious that that course should be followed. Then I have to ask myself whether, if the question were put to him, any Governor-General would prefer to remain in any one city during a portion of the year, and to spend the balance of his time in another? I can understand that he would be naturally anxious to visit different parts of the Commonwealth, but I feel certain that he would emphatically declare that he would be better circumstanced if he were required to maintain only one Vice-Regal establishment. Therefore, I fail to discover that any useful purpose will be served by the adoption of the Government proposal. We have heard a great deal about the maintenance of a federal spirit requiring the proposed arrangement. But would not the maintenance of that spirit cover similar proposals with regard to the other States? If we are to provide two residences for the Governor-General, why should we not provide six? No reason has been alleged why we should be restricted to two. Of course we are told that Sydney and Melbourne are the two populous cities of the Commonwealth. If the claim of a State to have the Governor-General residing there is to depend upon its population, surely all the States are entitled, in greater or lesser degree, to that privilege, though, perhaps, in the case of a sparsely populated State, like Western Australia, we might have to be content with having the Governor-General's court dress sent over to us now and again. We hope that the Governor-General will visit us occasionally, and that the members of this Parliament will come, too. But we shall not worry very much if no special expenditure is voted to provide for his or their accommodation, and if they come they will experience no inconvenience because of that fact. I

do not see my way to support the proposal of the Government, because I have heard no good reasons for voting against that economical administration which it is claimed is part of the federal policy, and which, I am sorry to say, has not been so much in evidence since this Parliament met as I think it should have been.

Mr. BATCHELOR (South Australia).—The honorable member for Perth says that no good reasons have been advanced why a residence for the Governor-General should be provided in Sydney. To my mind very strong reasons have been urged why he should be provided with a residence there, but the trouble is that those reasons apply with almost equal force to all the other cities of Australia. It has been said, for instance, that Sydney is a very nice place to live in, and has a very fine climate; but there are many hundreds of thousands of square miles of country in Australia which enjoy just as good a climate. I suppose it may be assumed that Parliament will sit in Melbourne during the winter, and be in recess during the summer, and that the Governor-General will, during the session, reside in Melbourne. But would it be humane to freeze him in Melbourne during the winter, and to boil him in Sydney in the summer? It has also been urged by the honorable and learned member for Darling Downs and others that the Governor-General should reside in Sydney because of the strong anti-federal spirit there.

Mr. McCAY. — As a sort of soothing syrup?

Mr. BATCHELOR.—Yes. But is there not a much greater need for the administration of such a syrup in other parts of the Commonwealth—for instance, in Brisbane, where no very violent Federal spirit is being exhibited at the present time? The honorable member for Dalley has pointed out that many acts of the Commonwealth Government have created great irritation in Sydney, and that the presence of the Governor-General there would allay that irritation. But I point out that there is a similar irritation in all the States, and that his argument applies to Adelaide and Brisbane quite as much as to Sydney. Another reason advanced is that there are more people in Sydney than in any other city in Australia; but it would be more reasonable to send the Governor-General and his family to Adelaide or to Perth,

where the population is not so large, and their presence would be more noticeable.

Mr. FOWLER.—And the person selected as Governor-General should have a good big family.

Mr. BATCHELOR.—Yes; from that point of view. Then, again, Sydney is said to be wealthier and more important than the other cities. But if, as appears to be the case, she is suffering from an embarrassment of riches, that seems a good reason for expending this money in other parts of the Commonwealth which are not so well off. I would remind the representatives of New South Wales that the President of the United States resides only at the White-house in Washington, and that no claim has been made by the people of New York, or by the people of Chicago, to have official residences established there because of their wealth and greater population. Lastly, we are told that the Government are committed to this expenditure. But it is Parliament that has to decide what money shall be expended in providing for the Governor-General's accommodation, and I do not think we should recognise any compacts which have been entered into without our consent. What the people of New South Wales were chiefly concerned about was that the Governor-General should land first at Sydney, and that the inauguration of the Commonwealth should be proclaimed there. They got that, and Sydney had her great day of glorification. All Australia journeyed there to help her make holiday, and was treated right royally. But the proposal to keep up a residence for the Governor-General in Sydney is merely an attempt to feed parochial vanity. It has been said that if the people of New South Wales had known that they would not get this concession, they would not have joined the Union; but I cannot believe that. Surely they do not grudge Victoria the presence of the Governor-General in Melbourne for the few years during which Parliament must continue to sit here, until the Federal capital is built. The Constitution provides that the federal capital shall be in New South Wales, and no one has objected to that provision. The other States might have claimed the privilege, but they did not trouble to do so. I shall vote for the maintenance of only one Government-house. I am glad that the Government have decided to deal with this matter, because it was unfair that

a certain sum should be set down as the salary of the Governor-General, when that amount was not absolutely at his disposal. If the salary provided is too big, it should be cut down; but whatever is given should be a clear salary.

Sir LANGDON BONYTHON (South Australia).—At this late hour I do not intend to take up the time of the committee at any length; but I feel that it is a pity that the matter has occupied the attention of honorable members at all. It will be seen from the correspondence which was laid on the table of the House to-day by the Acting Prime Minister, that the Minister for Home Affairs, when Premier of New South Wales, suggested to the Colonial-office that, as the Federal Parliament would meet in Melbourne, it was desirable to determine that the official residence of the Governor-General should be in Sydney when Parliament was not sitting. Mr. Chamberlain, in reply to that representation, said that he had no objection to the arrangement if the federating States agreed to it, if the Federal Government when it came into existence approved of it, and if the necessary provision were made to carry it out. As a matter of fact, however, the federating States did not agree to it, and the Federal Government, in failing to act on the suggestion of Mr. Chamberlain to obtain the opinion of Parliament on the subject at the earliest moment, have caused all the trouble which has occurred in the past, and the discussion which has taken place to-day. Personally, I feel rather in a difficulty. I in no way object to the amount the Government are asking for in this resolution. I think the sum proposed is very reasonable indeed; nor do I object that that money should be expended both in Sydney and in Melbourne. But I feel that we as a Parliament should be very careful to do nothing by which it might seem to be incumbent upon the Governor-General to maintain two establishments. With the greatest possible readiness I shall be prepared to give the amount of money asked for in this resolution, in addition to the £10,000 provided in the Constitution as the salary of the Governor-General, but I desire that there should be the clearest understanding that the Governor-General is expected to have only one establishment, and that he can reside elsewhere as may be convenient to himself. Of course, I realize that in practice the Governor General will reside in

Melbourne when Parliament is in session, and that he will reside in Sydney for the most part when Parliament is not sitting, but I think honorable members should be very careful indeed not to affirm that there should be two Government residences, because if any affirmation of that kind is made, we may depend upon it that the amount asked for to-night will be only a part of the amount which will be asked for in future years.

Mr. McDONALD (Kennedy). — Any one who has followed the debate to-night must have thought that the people of New South Wales are simply yearning to have the Governor-General amongst them, and that as a matter of fact they came into the Federation only on the understanding that he should reside in that State for a certain time.

Mr. THOMSON.—They may yearn that an undertaking should be carried out.

Mr. McDONALD.—I think that the position taken up by the honorable and learned member for Indi, and the honorable and learned member for South Australia, Mr. Glynn, is the correct one, and the committee should take it seriously into consideration. The whole desire seems to be that, because certain members of the Government are residents of New South Wales, the location of the executive authority should be divided between New South Wales and Victoria, merely to suit the convenience of those Ministers. It appears to me that honorable members of this committee, as well as Ministers, should be considered. Some honorable members, owing to the peculiar position in which they are placed, have been forced practically to abandon their homes and reside in Melbourne. If the executive authority is to be divided, and some Ministers are to reside in Sydney, while others reside in Melbourne, and probably one in Brisbane, honorable members in conducting the business of their constituents may have to be chasing Ministers all over the Commonwealth. That is not a desirable state of affairs. When we have the federal capital established, I presume that it will be regarded as the place of residence of the Governor-General and the seat of government. But until the federal capital is established Melbourne should be accepted as the capital for the time being, and the Governor-General should reside here and nowhere else. On these grounds I intend

to vote against any proposal for the establishment of a second residence for the Governor-General. I shall do so, though I would personally prefer that Parliament should sit in Sydney. Though a native of Victoria, I prefer New South Wales to this State. Apart from these considerations I am against this increase of £5,500. I think that the £10,000 a year should be sufficient to cover the whole expense. We are told that it was never expected that the Governor-General should meet all expenses out of the £10,000 a year salary. But I am of opinion that the general impression was—at all events it was so in Queensland—that the £10,000 a year was to cover all expenses in connexion with the Governor-General's establishment, just in the same way that it was generally expected that £400 a year was to cover the expenses of honorable members in attending this Parliament. If the salary of £10,000 is not sufficient for the Governor-General, and it is proper that the Government should make further provision, it would be right on just the same grounds that they should meet the expense of house rent, fuel, and light incurred by members of the Federal Parliament. I do not say that I believe that that should be done, but that it would be a logical thing to do if it is right that it should be done for the Governor-General. I protest that all through these proceedings the Government have attempted to keep something back. The whole matter is kept practically in the dark for eighteen months, and then we are informed that certain compacts have been entered into. I think that is wrong, and hope a similar state of affairs will not occur again. Nearly every honorable member who has spoken to-day has complained on this account, but not one seems to be prepared to take any further action. These matters, though small in themselves, may lead to the House being asked to approve transactions of a much more important character, simply because the Government have given promises in some secret way.

Mr. WINTER COOKE (Wannon).—I feel impelled to vote with the Government upon this matter, notwithstanding the very weighty speeches we have heard in opposition, and especially from the honorable and learned member for Indi, and the honorable and learned member for South Australia, Mr. Glynn. Both those honorable and learned members appear to have ignored the true position. It is clear that the Executive of

the Commonwealth has entered into a distinct bargain with the State of New South Wales. We cannot ignore that fact. I fully admit that the Government have been to blame. They possibly should have told honorable members much earlier what they were doing. But upon that point I would remind honorable members that they are constantly asking questions upon paragraphs appearing in the press. If I may be permitted to say so, I think that this practice is too generally adopted. No sooner do honorable members see a paragraph in a newspaper affecting some portion of their States than they immediately come forward with a question. It has been well known for some time that the Government-house in Sydney was prepared for the Governor-General, and that a separate building was provided by that State for the State Governor, and yet no question upon the subject has been asked in this House, and no pressure has been brought to bear upon the Government in the matter. Honorable members are now complaining of secrecy, and that the Government have not taken the House into their confidence. I might ask why the honorable member for Kennedy did not come forward with questions upon the subject night after night, as he would have done if the matter affected the kanaka question, the question of the pearl-shelling industry in Torres Straits, or the number of Italians introduced into his State. If the honorable member felt this to be such a burning question, why did he not bring it before the House night after night in order that the hand of the Government might be forced? I think it would be a very serious thing for the committee to ignore a distinct compact made by our Executive authority with the Executive of New South Wales. Undoubtedly the Commonwealth is passing through troubled waters. There has been a great deal of friction, and if we now ignore the action of our Executive from some fear of constituting a precedent, deciding whether the Governor-General shall live hereafter in one or more States, we shall emphasize the feeling of irritation which I fear already exists in New South Wales. In answer to the honorable member for Perth, I would remind him that the people of New South Wales did vote money through their State Parliament, the only voice with which they can speak, in order that the Governor-General might live in Sydney during a portion of the year.

Mr. FOWLER.—That vote was disapproved of in many quarters.

Mr. WINTER COOKE.—That may be said with regard to the decisions of any Parliament. The New South Wales Parliament was the only voice through which the opinions of the electors could be expressed at that time, and they voted money for the maintenance of the Governor-General's establishment in Sydney. As the acting leader of the Opposition has stated, it would be humiliating for this Parliament, and for the Governor-General, if New South Wales, upon finding that this Parliament refused to supply the necessary money, were to undertake to maintain at their own cost an establishment for the Governor-General in Sydney. I ask honorable members to consider the question from that aspect. I listened very carefully to the arguments adduced by honorable members, and I was very much influenced by the remarks of the honorable and learned member for Indi, and the honorable and learned member for South Australia, Mr. Glynn, but we have staring us in the face the fact that if we do not agree to support the Government in this matter we shall be accused of a breach of faith.

Mr. JOSEPH COOK (Parramatta).—I desire to propose an amendment omitting from the motion the words "and upon the Federal Executive Council of £1,925 a year." I do not see any necessary relation between the Governor-General's establishment and the Federal Executive Council, and there is no more reason why we should express our approval of this proposed expenditure than that we should sanction expenditure in the department of Home Affairs.

Mr. McDONALD (Kennedy).—I have a prior amendment. I move—

That the motion be amended by the omission of the figures "£5,500," with a view to insert in lieu thereof the figures "£3,101."

My object is to omit from the motion the provision for the maintenance of a second establishment for the Governor-General in Sydney.

Mr. DEAKIN.—I desire to say a word or two with regard to the general motion before the committee, and particularly in reference to the remarks of the honorable member for Parramatta. Honorable members will understand that the amendment of the honorable member for Kennedy would not only omit the provision for the maintenance of Government-house in Sydney, but would

also prevent us from keeping the engagement into which we have entered with the Government of New South Wales up to the end of next year. I trust that whatever views honorable members may entertain as to the expediency of continuing the occupation of Government-house in Sydney, they will at no time be willing to throw upon the hands of the Government of New South Wales, who have treated us so generously, the building which they have placed at our disposal, and for which they have provided an expensive substitute as a residence for the State Governor. I propose to add to the motion the words, "during the term of office of the next Governor-General." The Governor-General is appointed practically for five years, and the object of bringing this matter before the committee at present is to enable the Secretary of State for the Colonies to communicate to the gentleman to whom the position of Governor-General may be offered the conditions which will attach to his occupancy of the office. The honorable member for Parramatta will see that it is for this reason that the alteration proposed to be made in the provision for the Executive Council is here introduced. Hitherto we have been content to pay a nominal sum to the officer who has discharged the duties of Clerk of the Executive Council. The work attaching to that office is of the most responsible character, although comparatively simple. It includes the safe custody of the records, and attendance at the meetings of the executive, and precision in the entries is the chief requirement. In addition to that, it has been the practice to rely upon some member or members of the Governor-General's staff to carry out a number of transactions of the utmost importance to the Commonwealth. Every communication from the Secretary of State for the Colonies to the Commonwealth Government, or from the Government to the Secretary of State for the Colonies, or through him to any of his colleagues, or to the representatives of any foreign power, or the other great dependencies of the Empire, requires to be intrusted to some member of His Excellency's staff. The Governor-General chooses his staff for his own reasons, sometimes on account of relationship, and in other instances because of his desire to have about him gentlemen with whom he has already established friendly relations. I have no desire to criticise the Governor-General's choice,

but it is undesirable, and on some occasions very unsatisfactory, that the business of the Commonwealth should be intrusted to those who are attached to His Excellency's staff. We may be compelled to rely for the safe despatch, and for the coding and decoding of important telegrams relating to the Commonwealth, upon some young gentleman who, whilst being actuated by the best intentions in the world, has his mind occupied by social engagements. In Canada it has been found desirable to separate these functions from those which more properly belong to the members of His Excellency's staff, and intrust them to an officer directly employed by the Government. We therefore propose that the office shall be altered from that of Clerk to the Executive Council to that of Secretary of the Executive Council. In the custody of this officer will be placed the whole of the despatches, confidential and general, which pass between this Government and any other governments, and he will be held responsible for their despatch and for their coding and decoding where necessary.

Sir WILLIAM McMILLAN.—Why should this provision be made here?

Mr. DEAKIN.—Because it is necessary that the future Governor-General should know that he will not be required to make provision on his staff for one or other of the aides-de-camp by whom these duties have hitherto been discharged. For obvious reasons it is difficult to discuss this matter in detail, but I have already told honorable members that on one occasion a loss of some thousands of pounds was caused by an unintentional error on the part of an amiable young gentleman who was called upon as aide-de-camp to a Governor to deal with an important despatch. Other instances might be cited in support of the change proposed.

Sir LANGDON BONYTHON.—Will this officer be on the staff of His Excellency the Governor-General?

Mr. DEAKIN.—Not in this capacity; he will be an officer of the Commonwealth, although he will be associated with His Excellency in a most confidential manner.

Mr. JOSEPH COOK.—Is it not a fact that the Government will provide in this way for the private secretary to His Excellency the Governor-General?

Mr. DEAKIN.—No; His Excellency will have his own private secretary, who will be a member of his personal staff.

Sir WILLIAM McMILLAN.—Could it not be explained to His Excellency that the members of his staff would have nothing to do with the work of the Executive Council?

Mr. DEAKIN.—It is necessary for us to provide for the payment of this responsible officer, who, although he will be on the most confidential terms with His Excellency, will be in this position entirely independent of the Governor-General's staff, and directly responsible to us.

Sir WILLIAM McMILLAN.—Cannot the Governor-General be informed of that without our being called upon to pass this motion?

Mr. DEAKIN.—One of the matters to which attention was called in the original despatches from the Secretary of State for the Colonies was that in Canada an arrangement similar to that now proposed had been made, and had been found advantageous both to the Governor-General and to the Government. It is necessary to inform the new Governor-General of the change now proposed, so that he can make his own arrangements.

Mr. JOSEPH COOK.—What is the £325 provided for?

Mr. DEAKIN.—That is for the payment of the officer whom we have at present. It is his duty to perform all kinds of clerical work, including typewriting, the making of duplicates of telegrams and various other documents.

Mr. JOSEPH COOK.—He must have a mighty lot to do.

Mr. DEAKIN.—He is very well occupied. I had much the same impression as the honorable member, but on inquiry found that this officer's time was amply occupied. I think that the criticism of the honorable member for South Australia, Sir Langdon Bonython, was an excellent one, and beg to assure him that there is no desire on the part of the Government to imply that the Governor-General is required to undertake anything more in connexion with his establishments than his own good judgment may induce him to think necessary. We do not desire to convey any impression that we wish to involve the Governor-General in any additional expense. He will be informed that, in addition to the Government-house at Melbourne, there will be

another residence available for him in Sydney, which is rent free, and for which we find the necessary maintenance money, so that when he thinks it necessary to go to Sydney he may have a fitting house at his disposal. I agree with the honorable member for South Australia that there should be nothing that would imply any obligation.

AN HONORABLE MEMBER.—Will the Governor-General appoint this officer?

MR. DEAKIN.—Certainly not.

MR. O'MALLEY.—Is Captain Wallington to be selected?

MR. DEAKIN.—So far as I am personally concerned, I should very strongly favour the appointment of Captain Wallington, because he has a greater knowledge of Australia, of the duties of the office, the functions of our Governors, and of our constitutional practice, than any one else of whom I know.

SIR LANGDON BONYTHON.—Hear, hear—an excellent man.

MR. DEAKIN.—Personally, I shall be prepared to justify the selection of Captain Wallington for the position, but at present we are making provision for the office, and not for the man. I trust that what I have stated will induce the honorable member for Parramatta not to press his amendment, and that the honorable member for Kennedy, will also withdraw his proposal. I shall be prepared as soon as possible to move the amendment indicated. This will limit the operation of the motion, and doubtless at the end of the term specified, or perhaps before then, the whole question will be reconsidered in view of the early establishment of the federal capital.

SIR WILLIAM McMILLAN (Wentworth).—I think that the honorable member for Parramatta has taken the right course. We are not dealing with the schedule submitted by the Government, which I understand to have been presented solely for our information. We are called upon to vote the amount proposed in a lump sum, and I do not see any objection to that. We understand, of course, that when we discuss the items we may reduce one amount and correspondingly increase another if we think they need adjustment. It would be difficult at this stage to say how much should be voted upon each item for the Governor-General's establishment. We are in a different position, however, in dealing with the proposed votes for the Federal Executive Council. That

matter should be treated in detail, and each item should be discussed on the Estimates.

MR. DEAKIN.—So they will be.

SIR WILLIAM McMILLAN.—Yes; but if we pass this vote now we shall practically sanction the expenditure and leave it to the Government to carry out the details. The argument of the Minister is weak, because if we separate the expenditure upon the Executive Council from the allowances to be made to His Excellency for the maintenance of his establishments, there can be no necessity for incorporating the former items in this motion. It would be very easy for the Government to say to the Secretary of State for the Colonies that the Governor-General is not expected to pay for any of the duties performed in connexion with the work of the Executive Council. Mr. Chamberlain could easily be informed that a secretary to the Executive would be appointed, and that the whole of the expenditure connected with the Governor-General's establishment is contained in the other items. Accordingly, I shall support the honorable member for Parramatta should he persevere with the amendment which he has indicated. I am extremely sorry that the honorable member for Kennedy intends to divide the committee upon this question. I think that less feeling would be excited, and that it would be more conducive to the dignity and magnanimity of this Chamber if we allowed a matter in which another State is interested, and concerning which the weight of argument is in favour of carrying out the distinct compact made by the Government, to pass upon the voices.

MR. JOSEPH COOK (Parramatta).—After the speech of the Attorney-General, I am more determined than ever to press my proposal. The honorable gentleman succeeded in showing the absolute folly of appointing a highly salaried officer as secretary to the Executive Council, because when I asked him what were the duties of the subordinate officer who is to receive a salary of £325 a year, he replied that the latter would have to do the work.

MR. DEAKIN.—He will have to do the copying and typewriting.

MR. JOSEPH COOK.—Then I submit that the secretary of the Department for External Affairs should be able to do all the additional work that is required to be done. Surely he is the man who should undertake the confidential work. He should have

charge of the strictly confidential documents which have been referred to, just as the under-secretaries have in all the States at the present time.

Mr. DEAKIN.—In New South Wales there is a secretary to the Executive Council who receives the same salary.

Mr. JOSEPH COOK.—Yes; but he has not a clerk to do the work for him, as the Attorney-General proposes. I am not quarrelling with the appointment, but I do say that it ought not to be mixed up with the Governor-General's establishment. With regard to the confidential work, I repeat that it could well be undertaken by the private secretary to the Governor-General, in conjunction with Mr. Atlee Hunt. If those officers cannot manage it we must surely be hard up both for ability and trustworthiness. Apart from that consideration, however, I submit that the item in question is an ordinary one which is connected with ordinary expenditure, and should therefore be discussed upon the Estimates.

Mr. O'MALLEY (Tasmania). — I am amazed that the honorable member for Parramatta should take exception to an officer who is to receive £600 a year having a clerk in receipt of an annual salary of £325 to do the work for him. Officers in receipt of more than £600 a year usually have a subordinate to do their work. They are merely engaged to do the "bossing."

Question—That the figures proposed to be omitted stand part of the question—put. The committee divided.

Ayes	...	...	...	23
Noes	...	...	...	9
				—
Majority	...	...	...	14

AYES.

Brown, T.	McMillan, Sir W.
Clarke, F.	Quick, Sir J.
Cook, J.	Sawers, W. B. S. G.
Cooke, S. W.	Skene, T.
Deakin, A.	Thomson, D.
Edwards, R.	Watkins, D.
Fuller, G. W.	Watson, J. C.
Fysh, Sir P. O.	Wilkinson, J.
Groom, A. C.	Willis, H.
Groom, L. E.	<i>Tellers.</i>
McColl, J. H.	Smith, S.
McLean, A.	Wilks, W. H.

NOES.

Bonython, Sir J. L.	Solomon, E.
Fowler, J. M.	Tudor, F. G.
Kennedy, T.	<i>Tellers.</i>
Kirwan, J. W.	McCay, J. W.
McDonald, C.	O'Malley, K.

For.	PAIRS.	Against.
Turner, Sir G.		Braddon, Sir E.
Reid, G. H.		Mauger, S.
Edwards, G. B.		Salmon, C. C.
McLean, F. E.		Cook, J. H.
Smith, B.		Poynton, A.
Lyne, Sir W. J.		Ronald, J. B.
Spence, W. G.		Page, J.
Hughes, W. M.		Bamford, F. W.
Barton, Sir E.		Glynn, P. McM.
Chapman, A.		Manifold, J. C.
Cruickshank, G. A.		Mahon, H.
Ewing, T. T.		Higgins, H. B.
McEacharn, Sir M. D.		Hartnoll, W.
Forrest, Sir J.		Fisher, A.
Kingston, C. C.		Batchelor, E. L.
Macdonald-Paterson, T.		Solomon, V. L.
Phillips, P.		Isaacs, I. A.
Paterson, A.		Crouch, R. A.
Thomas, J.		Cameron, D. N.

Question so resolved in the affirmative.

Amendment negatived.

Amendment (by Mr. JOSEPH COOK) proposed—

That the words—"And upon the Federal Executive Council of £1,925 a year," be omitted.

Mr. DEAKIN.—In any case this matter will come before the committee again, when the Estimates are under consideration. Therefore, I do not intend to discuss it, beyond saying that it is a matter upon which the future Governor-General ought to be informed before he accepts office. He ought to know that he would not be expected to take upon his staff a person to discharge functions which, in the interests of the Commonwealth, should be discharged by a Commonwealth officer.

Mr. JOSEPH COOK (Parramatta).—I wish to say in reply to the Attorney-General that he himself has told us that this secretary to the Executive Council will be directly under the control of the Government, and that the Governor-General will neither appoint him nor have anything to do with his appointment, nor have any responsibility whatever with regard to him—that it will be an ordinary executive appointment. As such it should be left over for consideration on the Estimates.

Mr. DEAKIN.—It will be dealt with on the Estimates.

Mr. SALMON (Laanecoorie). — I am surprised to see this item included on the schedule. I suggest that it is desirable that it should come before us on the Estimates.

Mr. DEAKIN.—It will come before the committee on the Estimates.

Mr. SALMON.—Then why place it here ?

Mr. DEAKIN.—Because it is part of the information we wish to supply to the future Governor-General.

Mr. SALMON. — Will he require to know that an officer will be appointed for this purpose ?

Mr. DEAKIN.—Yes ; and that he need not include on his staff any person to perform these duties.

Mr. SALMON.—That is a matter of information which can be afforded to the Governor-General without any resolution at this time. I hope that the Acting Prime Minister will reconsider the matter. The committee has dealt very generously with the proposals of the Government as a whole, and we are not asking too much when we request that this matter shall be eliminated from the resolution and dealt with as part of the ordinary estimates. I feel sure that if the Government are convinced that it is absolutely necessary that an officer shall be appointed for this work, Parliament will have no objection to voting an adequate sum of money.

Mr. WATSON.—Why cannot we decide now as well as later on ?

Mr. SALMON.—This is not the time when this committee should decide about making new appointments, and additions to the public service. We have been preaching economy, and endeavouring to cut down the expenditure of the Government, and surely it is not a fair thing that we should have an absolutely new appointment inaugurated upon a resolution, the object of which is quite distinct from what is now proposed. The object of the resolution is ostensibly for the settlement of the Governor-General's establishment, and not for the appointment of a new officer, who is to be no part of the Governor-General's establishment, but is to be an executive officer under the Crown, who is to be amenable to Parliament, and under the control and direction of Parliament, although for the purpose of convenience I presume that he will be lent to the Governor-General to perform certain duties which will come within the purview of the Crown's representative. We are told that this officer is to be the Secretary to the Executive Council, because it is considered desirable that certain communications which have to pass between the Government of the Commonwealth and the Imperial Government should not be in the hands of an

irresponsible and uncontrollable person, but that the officer who will have charge of them should be a Commonwealth officer. If that be so, it is not necessary that the officer should be especially mentioned as a member of the staff of the Governor-General, and provided for on his establishment. He should be provided for as part of the staff of the Executive Council. We have already provided means whereby officers can be paid who have work to do in connexion with the Executive Council, and I hope that the Government in order to preserve that somewhat over-lauded uniformity of which we hear so much, will follow the usual course and have this officer's salary placed upon the ordinary Estimates, and eliminate it from this resolution.

Mr. McCAY (Corinella).—I should like to say to the Acting Prime Minister that we are now asked to decide what is really a very different matter from the one that has been under discussion. We are obviously asked to provide an officer whose duty it will be to act as secretary to the Executive Council, instead of our pursuing the existing practice of making an allowance to an officer already in the service for performing those duties. It may be that it may be found necessary to have a new officer. I shall regret it if it is so, because the Executive Council as a whole does not take up very much of the time of an officer, and whoever discharges these functions will have a clerk at £325 a year to assist him. It may be, however, that this separate officer will be necessary if the Federal Executive is going to start upon a peripatetic career throughout the Commonwealth. But, at any rate, we are asked to determine whether an officer whose duties at present are discharged by some one in the service, shall be appointed to perform those duties. I urge that that question is not involved in the question whether Parliament will provide funds for the carrying out of the duties of clerk to the Executive Council. That is taken for granted, but the question here is as to an alteration of the mode of carrying out the duties, and the consequent increase in the expenditure of the Commonwealth.

Mr. SALMON. — The question really is whether we are to pay for a private secretary to the Governor-General.

Mr. McCAY.—If the officer is to be a private secretary to the Governor-General he is wrongly described in these particulars. From whatever point of view we look at it

we are not now settling the question whether the Commonwealth shall pay this man, or what amount the Commonwealth will pay him. Those are very different matters indeed.

Mr. WATSON (Bland).—There seems to be some difference of opinion as to what the exact duties of this proposed new officer will be. I was under the impression that the officer proposed to be appointed would have a certain amount of work of a confidential nature to do in regard to the establishment of the Governor-General, between the Government and the Governor-General. If that be so, I take it that the officer would be distinct from a mere clerk to the Executive Council, whose sole functions would be the registering of decisions.

Mr. DEAKIN.—That is correct.

Mr. WATSON.—If that is so, it is of no use arguing that the officer will be one who will carry out the duties which the clerk of the Executive Council has previously had to do. He will be a distinct individual.

Mr. JOSEPH COOK.—Is it of any use arguing whether he could very well be done without?

Mr. WATSON.—That may or may not be so, but it is of no use confusing the position. I cannot say whether such an officer can or cannot be done without. Never having been a member of any Executive Council, I cannot say what necessity there is for having such an official. But I do say that, if the Ministry assure us that it is necessary, for the efficient working of the service, to have some such officer—and I am assuming that to be correct, and can only take the word of Ministers in that regard—we have no right to sacrifice that efficiency to any false economy, so far as concerns £600 a year, or even £6,000 a year.

Mr. SALMON.—Does the honorable member think that such an officer should be part of the Governor-General's establishment?

Mr. WATSON.—I do not understand that he is to be so altogether. The position that this officer will occupy is somewhat complicated, and for that reason it is hard to define whether he will be a portion of the Governor-General's establishment, or an ordinary member of the civil service.

Mr. JOSEPH COOK.—The Attorney-General says that the Governor-General will have nothing to do with him.

Mr. WATSON.—That is, I understand, as to his direction and control, but I understood the Acting Prime Minister some weeks ago, when laying this schedule upon the table, to say that the officer will have a great deal to do with the Governor-General.

Mr. DEAKIN.—Some honorable members have obviously made up their minds to vote against this proposal without a sufficient appreciation of the interests involved. I understand that the honorable member for Parramatta, who has moved the amendment, safeguarded himself by saying that he would be quite prepared to consider the question upon its merits when the Estimates were being dealt with. His contention is that the expenditure should not be provided for here. My reply is that it should be here, not because it concerns the Governor-General's establishment, but because it is a matter of which future Governors-General should be informed. As I do not wish to prejudice the case by forcing it to a premature decision, I am willing to consent to the omission of the words "and upon the Federal Executive Council of £1,925."

Amendment agreed to.

Motion (by Mr. DEAKIN) proposed—

That the following words be added—"during the term of office of the next Governor-General."

Mr. McCAY (Corinella).—In order that I may have an opportunity of voting upon this question, without being placed in the position of voting to leave the arrangement one made for an indefinite period, I move—

That the amendment be amended by the omission of the words—"of office of the next Governor-General" with a view to insert in lieu thereof the words "ending 31st December, 1903."

That covers the term for which the arrangement has been made between the Federal Government and the States Governments.

Mr. JOSEPH COOK (Parramatta).—Do the Government consent to this amendment of the amendment?

Mr. DEAKIN.—No.

Mr. JOSEPH COOK.—Honorable members appear to be anxious to save themselves from having to give a vote against the Government, although they have disapproved of what the Government have done. They are, therefore, willing to ratify the agreement which has been made, up to the last minute for which the Government is pledged, but no further. This, I suppose, is an exhibition of what would be termed by honorable members

opposite a fine federal spirit, though I can see only the most intense provincialism in such a pettifogging action. The agreement was made in good faith, and it ought to be kept. At the end of 1903, we shall be in the same difficulty as we are in now, though two years later we might be in a very different position. There will, however, probably be more bitterness imported into the discussion of the matter a year hence than we have had to-night, and more bitterness will probably be felt outside about the decision arrived at. Since the Government are committed to this arrangement, why seek to bring it to a conclusion perhaps a year before it can come to an end in the ordinary course of events?

Question—That the words proposed to be omitted stand part of the amendment—put. The committee divided.

Ayes	...	...	24
Noes	...	...	12
Majority			12

AYES.

Bonython, Sir J. L.	McMillan, Sir W.
Brown, T.	Sawers, W. B. S. C.
Clarke, F.	Skene, T.
Cook, J.	Thomas, J.
Cooke, S. W.	Thomson, D.
Deakin, A.	Watkins, D.
Fuller, G. W.	Watson, J. C.
Fysh, Sir P. O.	Wilkinson, J.
Glynn, P. McM.	Willis, H.
Groom, L. E.	<i>Tellers.</i>
Lyne, Sir W. J.	Smith, S.
McColl, J. H.	Wilks, W. H.
McLean, A.	

NOES.

Bamford, F. W.	O'Malley, K.
Batchelor, E. L.	Quick, Sir J.
Edwards, R.	Tudor, F.
Fowler, J. M.	<i>Tellers.</i>
Kennedy, T.	McCay, J. W.
Kirwan, J. W.	Salmon, C. C.
McDonald, C.	

PAIRS.

For.	Against.
Turner, Sir G.	Braddon, Sir E.
Reid, G. H.	Mauger, S.
McLean, F. E.	Cook, J. H.
Smith, B.	Poynton, A.
Spence, W. G.	Page, J.
Chapman, A.	Manifold, J. C.
Cruickshank, G. A.	Mahon, H.
Ewing, T. T.	Higgins, H. B.
McEacharn, Sir M. D.	Hartnoll, W.
Forrest, Sir J.	Fisher, A.
Macdonald-Paterson, T.	Solomon, V. L.
Phillips, P.	Isaacs, I. A.
Paterson, A.	Crouch, R. A.
Groom, A. C.	Solomon, E.

Question so resolved in the affirmative.

Amendment of amendment negatived.

Amendment agreed to.

Question—as amended—put. The committee divided.

Ayes	...	...	25
Noes	...	...	8
Majority			17

AYES.

Bonython, Sir J. L.	Ronald, J. B.
Brown, T.	Sawers, W. B. S. C.
Clarke, F.	Skene, T.
Cook, J.	Smith, S.
Cooke, S. W.	Thomas, J.
Deakin, A.	Thomson, D.
Fysh, Sir P. O.	Watkins, D.
Glynn, P. McM.	Watson, J. C.
Groom, L. E.	Wilkinson, J.
Lyne, Sir W. J.	Willis, H.
McColl, J. H.	<i>Tellers.</i>
McLean, A.	Fuller, J. W.
McMillan, Sir W.	Wilks, W. H.

NOES.

Bamford, F. W.	Tudor, F.
Fowler, J. M.	<i>Tellers.</i>
McDonald, C.	Batchelor, E. L.
O'Malley, K.	McCay, J. W.
Salmon, C. C.	

Question so resolved in the affirmative.

Resolved—That an expenditure upon Government-house of £5,500 a year, as submitted in the statement ordered to be printed on the 7th instant, is approved during the term of office of the next Governor-General.

Resolution reported and adopted.

PAPER.

Sir WILLIAM LYNE laid upon the table—

Report by the General Officer Commanding, in reference to the appointment of drill instructors in South Australia.

ADJOURNMENT.

ORDER OF BUSINESS.

Mr. DEAKIN (Ballarat — Attorney-General).—I move—

That the House do now adjourn.

In submitting the motion, I beg to inform honorable members that after the disposal of the formal stages of the Royal Commission Bill to-morrow the business will probably be the Bonus Bill.

Question resolved in the affirmative.

House adjourned at 10.50 p.m.

Senate.*Wednesday, 27 August, 1902.*

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

SUGAR INDUSTRY: KANAKAS.

Senator HIGGS asked the Vice-President of the Executive Council, *upon notice*—

1. Is it true that when northern cane farmers of New South Wales decided to register under the new federal conditions and work their farms with the aid of white men, a number of kanakas went from New South Wales to Queensland, and were engaged by Messrs. Young Bros., of Fairy-mead Plantation, Bundaberg district, for a period of three years, the rate of pay for the first year being 8s. per week and rations; second year, 10s. per week and rations; third year, 12s. per week and rations?

2. Is it true that these kanakas from New South Wales were at once set to work clearing land leased by Messrs. Young Bros., and cutting timber into firewood?

3. Is clearing land and cutting firewood work which may legitimately be considered to come under the heading of tropical or semi-tropical agriculture?

4. Did not Dr. Maxwell, the Queensland sugar expert, say that white men can do all the work necessary in connexion with the production of sugarcane in the Bundaberg district?

5. Is it not true that there is plenty of white labour in the Bundaberg district available for clearing land and cutting firewood?

6. Is it true that after Messrs. Young Bros. engaged the kanakas from New South Wales they cancelled the agreements of about 100 kanakas not long since arrived from the islands; if so, who permitted the cancellation of the agreements?

Senator O'CONNOR.—The answers to the honorable senator's questions are as follow:—

1. No; but they engaged a large number of kanakas locally at the rates named.

2. No.

3. The work of clearing land for the *bond fide* cultivation is allowable. It is immaterial whether the timber is stacked or burnt, or stacked and preserved. If the latter, it must be handled by white labour thenceforward.

4. Dr. Maxwell, speaking to farmers' deputation in Bundaberg, said, "Abolition of kanaka labour would paralyze to death industry in North Queensland. Bundaberg might make attempt to carry on without it, but only on condition that, besides rebate, very large proportion of benefits federal protection would reach grower."

5. There is plenty of white labour in Bundaberg.

6. Youngs engaged no kanakas from New South Wales, but they cancelled agreements of sickly men recently arrived, by advice of medical officer, and returned them to their islands by permission of the Polynesian department.

LIEUTENANT KIRKLAND.

Senator HIGGS asked the Vice-President of the Executive Council, *upon notice*—

1. By whom was Lieutenant G. K. Kirkland, the Acting Adjutant of the 7th New South Wales Infantry Regiment, appointed to the position?

2. What is the establishment of the company which, until recently, was commanded by the officer in question?

3. What has been the average attendance of the company at parades held during the last twelve months?

4. Is it a fact that many of the men of the company formerly commanded by Lieutenant Kirkland refused to drill under him, and that it was contemplated to disband the company?

5. Is it contemplated to appoint Lieutenant Kirkland to the position of permanent adjutant of the regiment?

6. If so, what salary will be attached to the position?

Senator O'CONNOR.—The answers to the honorable senator's questions are as follow:—

1. Lieutenant Kirkland has not been appointed to the position, but his name has been submitted for consideration for appointment as adjutant on the partially-paid establishment, at a salary of 5s. per diem.

2. One hundred.

3. Fifty-two.

4. No.

5 and 6. These are answered by the reply to No. 1.

DEFENCE FORCES.

Senator Lt.-Col. NEILD asked the Postmaster-General, *upon notice*—

1. What was the strength of the military defence force in each State respectively at the date of taking over of same by the Commonwealth?

2. What is the present strength of the military defence force in each State respectively?

Senator DRAKE.—The answers to the honorable senator's questions are as follows:—

1. Strength of military forces at date of taking over same by the Commonwealth—

New South Wales	...	...	9,772
Victoria	...	...	7,011
Queensland	...	...	4,310
South Australia	...	...	2,956
Western Australia	...	...	2,283
Tasmania	...	...	2,554

Total ... 28,886

2. Strength on 1st August, 1902—

New South Wales	...	...	9,350
Victoria	...	...	6,771
Queensland	...	...	3,199
South Australia	...	...	2,214
Western Australia	...	...	1,845
Tasmania	...	...	2,199

Total ... 25,578

The above figures do not include rifle clubs or junior cadets.

From the point of view of either protection or revenue, a duty of 2d. per lb. is ample. Senator O'Connor has mentioned the amount of the collections for a period of six months. So far as the printed records show, there is no discrimination in the line fruits and vegetables, which in the Tariff are subdivided into a large number of articles. I do not know exactly whether the revenue of £20,000 was derived from the duty on raisins, or from the duties on the articles included under the head of fruits and vegetables, in item 21.

Senator O'CONNOR.—From dried fruits and vegetables.

Senator Sir JOSIAH SYMON. — I thought so. The request of the Senate is limited to one article—raisins. Item 21 is a very long and comprehensive one. I do not intend to differ with Senator O'Connor when we come directly to deal with certain articles. The item to which I refer is a much more lucrative source of revenue than is this item, because the great bulk of the commoner sorts of raisins which are consumed are those which are produced at Renmark and Mildura. It is not the duty which has benefited these people, but they have been selling their raisins in London, where they have found a good market for them. Therefore, we are putting on a duty which increases the price of the commodity consumed here. No one can say that raisins are not a necessity. We are trying to raise the standard of living among our households, and must recognise that raisins, in common with many other commodities which are consumed, must be included in the category of necessities. The duty of 2d. was the Tasmanian rate. It was imposed in that State as a revenue duty. Surely 60 or 70 per cent. protection ought to be enough from the grower's point of view. It has been contended that the duty is not prohibitive because revenue is derived from it. If it is not prohibitive, where is the protection? From my point of view it is not prohibitive, because there is a large importation, and it is for that reason that a large revenue is derived from it.

Senator PLAYFORD (South Australia). —Senator Symon has said that this duty amounts to about from 75 to 100 per cent. in some cases, and that he wants to lower it. Let me ask him how it is that he and his party do not follow out that principle in other cases? There was a duty of 80 per cent. on an article of such general consumption as salt, but his party quietly allowed

that to pass without objection. Salt, however, is far more largely consumed than raisins and currants. It goes into every household in every part of Australia, and is also largely used for purposes of manufacture, and in the preserving of food for the people. Yet no objection was taken to it.

Senator Sir JOSIAH SYMON.—Because that was a compromise made in the House of Representatives by express agreement. I said so here.

Senator PLAYFORD. — There was a compromise in regard to cement, but the honorable and learned senator did not mind interfering in that case. If the party opposite lay down general principles they ought to be prepared to apply them all round. I do not know why the people who cultivate the soil should be sought to be specially injured in this manner, or why they should not have such benefits as are conferred upon others who manufacture certain goods. In this case, Senator Symon is endeavouring to interfere with the horticultural industry, which he should do all he can to promote. The more that can be done to put people on the soil, and employ them in outdoor occupations, the better it will be for the community at large. We should endeavour to promote cultivation rather than encourage people to crowd into the towns to find work in factories. The duty proposed is necessary for that purpose. Raisins can hardly be looked upon as articles of absolute necessity, although they are articles of general consumption. They are certainly not as necessary as salt. I trust that we shall give way in regard to the matter.

Senator CLEMONS (Tasmania).—It is all very well for Senator Playford to tell us that by imposing protective duties we shall encourage people to settle in the country. If he stuck to that principle we could understand his attitude.

Senator PLAYFORD.—We have to consider other people as well.

Senator CLEMONS. — The honorable senator who now talks about encouraging people to settle in the country is just as vehement in his support of the imposition of duties of 30 per cent. on hats, boots, and other items, the tendency of which is to induce people to settle in the cities. That sort of clap-trap argument convinces no one, and is unworthy of the honorable senator who has used it. I admit that it is difficult to deal fairly with this item, for the

are very few uses to which the lands of Australia can be put so universally as that of dairying. There are probably more persons interested in this industry than in almost any other. I do hope that, looking at the matter even from the point of view from which it has been dealt with, the committee will see no reason for pressing the request. There is another element which must be considered, and that is the necessity for coming to a final agreement on the item on a question of this kind. In the other House it was discussed, with other items, for months. In the Senate it has been discussed, and the view of the majority has been established; but we have now to come to an agreement. Unless there is some very strong and good reason why the request should be pressed it is one of those cases in which the committee might very well recede from the position it has taken up. I find from the records of the other House that there was a majority of six in favour of the rejection of the request of the Senate. There appears to be no reason either from the point of view of the consumer or from the revenue aspect why the request should be adhered to. On the other hand, there is a very strong reason from the point of view of protection, which operated on the other House, and which has operated on a large number of honorable senators, why the duty proposed by the House of Representatives should be adopted. Under all the circumstances, it would really be in the interests of the Commonwealth as a whole if the Senate did not press its request.

Senator Sir JOSIAH SYMON (South Australia).—I hope that the committee will adhere to the request of the Senate in regard to butter and cheese. I quite appreciate what my honorable and learned friend, Senator O'Connor, has said on the points to which he has directed the attention of honorable senators. He has said that the majority shown by the records of the House of Representatives against accepting the request of the Senate was six. May I remind him that the majority in favour of the request in the Senate was four, in a House half as numerous as the House of Representatives. This majority of four represented at least 25 per cent. more than the majority in the other place, which has asked us to reconsider the requested reduction. Senator O'Connor has directed attention very properly to the Tariffs of the States prior to federation. In all the

States, with the exception of Queensland and New South Wales, the duty on butter was 2d. That was one of the reasons which influenced the majority in the Senate to adopt the 2d. rate. In New South Wales butter was free. I have no desire to under-rate the attention which we ought to give to the feeling of the House of Representatives. We ought to be as solicitous to meet their views as they have been in their attitude with regard to the requests made by the Senate. I would also point out that, whilst with regard to butter there was a majority of four in the Senate, in regard to cheese there was a majority of six. The reason for that is obvious. We cannot frame a Tariff free from all difficulties and anomalies, but there is no doubt that a duty of 2d. on cheese is infinitely higher than the same duty on butter. The next point taken by Senator O'Connor was that this is a protective duty. The view we took previously was that a duty equal to that which operated in Victoria before federation is ample for protective purposes. It is urged that it is only in exceptional cases, owing to the operation of drought and so on, that this duty would increase the price of the articles to the consumer. But those are just the times when we ought to be careful not to increase the price. I do not know whether butter is regarded as a luxury, but it is an article of such universal consumption that we may very fairly take it to be a necessary. In our improved conditions of life, butter should be regarded from that point of view. We should like to see everybody able to take a little butter with his bread, and we ought to avoid the danger of increasing the price, even in times of extremity. These are reasons why it seems to me that the committee ought not to depart from the request it has already made, and which has been supported by such a large majority proportionately. We cannot get rid of the protection of 2d. per lb., because that has been assented to; but we should not agree to increasing the duty.

Senator Sir RICHARD BAKER (South Australia).—I should like shortly to state the reason why I shall vote for the Government proposition, because those reasons will influence me in giving a similar vote on all or nearly all of the items in Division IV. of the Tariff. The first reason I give is this—that we ought to be prepared to meet the House o

Representatives in the same manner as we expect that House to meet us. If every member of either House were always to adhere to the vote which he originally gave on an item of the Tariff or a clause in a Bill, we should never be able to pass any measures at all; we could not have passed any Bills this session except, perhaps, a few Supply Bills. It is absolutely necessary that at some stage we must arrive at compromises; and I think that these items in Division IV. are essentially items on which the Senate might give way. Secondly, I have come to this conclusion because I think this duty is illusory; that it really does not matter from the practical point of view—that it does not make much difference—whether the duty on butter is 1s. per lb., or 1d. per lb., because we produce enough butter to supply all the people of Australia, under normal conditions at all events; and we must legislate for normal conditions. If we are led away by the consideration that under certain exceptional circumstances certain consequences will happen we shall not be doing our duty, because I repeat that we ought to legislate for normal conditions. Then again I say that, wherever possible, we ought to help the dwellers in the country. It must be recollected that this Tariff is to some extent a protective Tariff, and that the people who live in the country have to pay for the benefit of the people who live in the town. Now, if any occasion arises where they can have some compensation we ought to give it to them. There is no tendency which is more deprecated by statesmen all over the world than that of people to flock into the towns and leave the country; and we ought not, by our legislation, to do anything to help that tendency. We ought to do everything we can to prevent it; and if, under certain circumstances, the dwellers in the country—the agricultural population—can derive some compensating advantages by means of this Tariff, we ought to give those advantages to them. I do not think we shall, speaking generally, give any such advantage to them by means of this duty, because it will have no effect, except under the special circumstances to which I have referred. Therefore I say it is a matter of such small consequence that we may well give way with regard to it. Further, the House of Representatives have, according to the admission of every

one, given way on a great many matters of minor importance. This, also, is a matter of minor importance.

Senator Sir JOSIAH SYMON.—Nothing of the kind.

Senator Sir RICHARD BAKER.—Well, that is my opinion. I am entitled to my opinion as much as Senator Symon is entitled to his; and in my opinion this is a matter of minor importance. My last reason is that my State—the State of South Australia—wants all the revenue she can get. I do not think she is likely to get much revenue from this item. She will get very little indeed—we admit that. But if under a certain set of circumstances some revenue is to be derived from the item she ought to get it. We want it all; we can not do without any of it. I admit that this is a minor reason. I am prepared to uphold the position taken up by the Senate in matters of great importance.

Senator Sir JOSIAH SYMON.—Will the honorable and learned senator mention one or two?

Senator Sir RICHARD BAKER.—I will mention them when we come to them. But I am prepared to give way in regard to this matter, because I think it is of minor importance; and the reasons I have given in reference to this item will also operate in regard to a number of items of a similar description.

Senator STEWART (Queensland).—I agree rather with the leader of the Opposition, when he says that this is a matter of some consequence, than with Senator Baker who seems to consider that it is a matter of very minor moment. This is a duty which I consider has been passed in the interests of our agriculturists—in the interests of our primary producers, whom the members of the Opposition always profess to be so anxious to encourage. Honorable senators tell us that this duty is inoperative in good seasons. Every one admits that. We are all glad to know that under a protective policy, Australia has developed a very important butter industry. But there come times in the history of Australia, when even an industry like the butter industry is brought to a dead stop. They are times of drought. Senator Symon says that they are the very times when this duty ought not to be collected, because then people are in poor circumstances and are unable to pay. That is one aspect of the question, but there is another aspect of it which appeals much

more forcibly to me. We want to stimulate our people to overcome the effects of drought. We want to hold out some inducement to them to discover some means of obviating droughts—to circumvent them so to speak. This duty of 3d. per lb. on butter proposed by the House of Representatives is held out as a premium to our agriculturists for that purpose. Senator Symon would destroy that incentive. He would say to the agriculturists—"The moment you can produce enough butter to supply the Australian market, we will bring you into competition with the rest of the world. Does the honorable senator imagine that would stimulate an industry? Would it not have the effect of damping the energies of our people?"

Senator Sir JOSIAH SYMON.—We want to benefit them by giving them cheap butter.

Senator STEWART.—I desire to benefit them by giving them an additional industry—by discovering if we can how the evil effects of the drought are to be avoided. We know that the various inducements which have been held out to different industries have had the effect of stimulating the people to make inventions and discoveries, which have neutralized in a great measure many of the disadvantages under which Australia labours. Are we going to abandon that policy? Are we going to cease to hold out inducements to people to exert themselves in order to discover ways and means of doing away with many of the evils of climate and soil and other things in Australia? The very object of this duty is to encourage our agriculturists to produce butter even in the worst of seasons, so as to make us independent, not only of the producer outside, but of the drought within. Is that not a result for which every Australian ought to strive? Would that not be a much higher position in which to place the people, than that of being brought to a standstill when confronted by a particular set of natural circumstances? I ask the leader of the Opposition and those who follow him to consider this aspect of the question. It is that principle which, at all events, will govern me in giving my vote upon this question.

Senator CLEMONS (Tasmania).—I do not know whether to be entirely pleased or surprised by the concluding remark made by Senator Baker. I refer to the statement that, in the present circumstances, he was not going to support the

Senate in regard to this request. Looking at that remark from one point of view, I confess at once that I derive a certain amount of encouragement from it, because I take it as a fair indication that the honorable and learned senator may be prepared at some time during the present discussion to vote in a direction opposite to that in which he originally recorded his vote. So far as the present item is concerned, Senator Baker is not making any concession. He proposes to repeat the vote which he gave when the question was previously before us. As to the other arguments advanced by him, I would point out—and I wish to deal with this matter earnestly and seriously—that he stated we produced enough butter for all our necessities. With that I entirely concur. Although I shall not go so far as to say that I am with him as to the unimportance of making the duty in this case either £1 or 1d. per lb., I can conceive that in regard to certain items of a somewhat similar nature I could go with him and say that we might allow them to go free, or impose a duty of £1 a bushel on them. Personally I do not think that butter ought to be taxed, but I recognise that we ought to meet the existing circumstances, and to give way because of present necessities, although we do not surrender our principles. For that reason I would point out to Senator Baker that the one State which is pre-eminent in the production of butter is Victoria, where the output is far larger than in any other part of the Commonwealth. I would also mention the well-known fact that of all the States of the Commonwealth which showed a desire for protection Victoria was again pre-eminent. The duty under the Victorian Tariff, however, was only 2d. per lb., and if it is argued that we must concede something to the desire of the other side to assist an industry, what better example could we have as to the concession which it is a fair thing for us to make than that of Victoria. It is a preeminently protectionist State, and I will grant this argument, for the moment, to the other side—although I do not believe in it—that the effect of protection in that State was such that a duty of 2d. per lb. on butter created an enormous industry, and enhanced the value of land in many cases up to £30 and £40 per acre. In these circumstances, assuming that we are at one with the protectionists of the Senate, can

there be any reason why we should say that a duty of 3d. per lb. is more desirable than one of 2d. per lb.? Surely it stands to reason that, if we desire to join our honorable friends on the other side in attempting to assist an industry by a protective duty, we should fix that duty which has been proved—and I am again adopting an argument which honorable senators opposite might use—to be eminently successful? That duty is 2d. per lb. Another State, which has not produced butter so largely as Victoria has done, although having regard to its size, it has produced it in considerable quantities—I refer to Tasmania—had a duty of 2d. per lb. I do not say that it was a protective one. As we have heard to-day, there is practically no State which has a higher duty than 2d. per lb. Why, then, should the committee give way? Adopting an argument that appeals to protectionists, why do not the protectionist members of the Senate say to the protectionist members of another place—“You are making a mistake in the rate of the duty which you propose. According to protectionist precedents, 2d. per lb. is the right duty.” Another argument used by Senator Baker—and I was sorry to hear him use it, for I do not think he fully realized its effect at the present time—was that South Australia wanted revenue. He started by saying that he desired to help the dwellers in the country. I presume he meant that he wished to give them real assistance. He knows that we have always contended that no real assistance is conferred by this duty, and I do not believe that he wants to join with any one in fooling the farmers. Then the honorable and learned senator stated that South Australia wanted revenue. I leave him to look after the revenue interests of that State.

Senator Sir JOSIAH SYMON.—He admits with all this solicitude that the duty will practically not give South Australia a penny.

Senator CLEMONS.—I am coming to that. I will assume that South Australia wants revenue. In ordinary normal times, however, South Australia will not obtain a farthing from this duty.

Senator Sir RICHARD BAKER.—I said so.

Senator CLEMONS.—If an occasion does really occur when South Australia will obtain revenue under this item, it can only be an occasion of stress and adversity, when no man would really desire to

increase the troubles of the people. The benefit which those engaged in this industry desire to obtain from it is not the benefit derived from the sheer necessities of others, but that obtained by sending their butter to foreign markets, where people can buy it who are able to pay for it. Even the protectionists would not be bold enough to say that they want the butter industry to flourish out of the necessities and miseries of our own people. If we get a farthing of revenue from this item, it will be because of the abject miseries of the people. I would not take revenue in that way. I should prefer to see the State do without it. As Senator Baker has addressed the committee on the revenue aspect of the question, I wish to point out that abundant opportunity has been offered to him to obtain revenue for South Australia. I might instance many cases. For example, he could have gained it by voting for the request that the duty on boots be reduced. Apart from that, which is a controversial item, there was another obvious occasion when Senator Baker failed in his duty, and that was in regard to the request to increase the excise on tobacco.

Senator O'CONNOR.—I rise to a point of order. Is the honorable and learned senator in order in discussing the way in which honorable senators voted on other occasions?

The ACTING CHAIRMAN (Senator DOBSON).—References to other items have been allowed by way of illustration, and I hardly feel called upon to stop the honorable and learned senator. But I think he has gone far enough.

Senator CLEMONS.—I agree with you, sir, because I have gone exactly the distance which I wished to go. I have pointed out what is the real value of the revenue cry; that there are other and better means to obtain revenue; and I think I have discharged my duty by showing how revenue may be derived in other directions without calling on anybody to pay for their miseries. I think the committee should adhere to its request. Our hands are abundantly strengthened by the simple fact that from the point of view of protectionists 2d. per lb. is the proper duty to impose. That is their argument, not ours, and the protectionist members of another place should be asked to reconsider this request on that ground. Armed with that argument, which is unassailable, the committee, out of

respect for the majority of its members, should adhere to its request.

Senator HIGGS (Queensland).—Save for a few showers of eloquence which fell from one or two of us, there was a political drought in the Senate a few days ago, but the drought is now broken up. Certain honorable senators have returned, the flood-gates have been opened, and we are to be deluged for the next two or three weeks I suppose with torrents of words. I do not wish to repeat myself, but—

Senator EWING.—What about the revenue aspect of the question?

Senator HIGGS. — Honorable senators who propose that we should adhere to this request are prepared to sacrifice £20,000 a year in revenue.

Senator CLEMONS. — Make it £200,000 ; that would be just as likely.

Senator HIGGS.—My imagination is not so expansive as is that of honorable senators who speak very frequently of millions when we can only discover thousands. I find that according to the return of the Customs and Excise revenue from the 9th October, 1901, to the 30th June last, the collections in respect to butter and cheese were as follows :—New South Wales, £15,087 ; Victoria, £12,747 ; Queensland, £3,983 ; South Australia, £2,067 ; Western Australia (uniform Tariff), £22,592, special Tariff, £14,551 ; Tasmania, £1,499. Total, £57,975. These were the collections under the duty of 3d. per lb., and honorable senators who wish to reduce the duty are prepared to sacrifice one-third of the revenue. What becomes of Senator Clemons' £200,000 ? Honorable senators who think that the request should be adhered to, are not interested in butter ; they really have their eyes upon cheese. They want to get into this country the very fine cheeses, such as the Roquefort, the Camembert, the Swiss Gruyere, the Gloucester, and the Cheddar.

Senator Sir JOSIAH SYMON.—That is not the cheese!

Senator HIGGS.—That is the cheese which pays the duty. If this cheese is made dutiable at 3d. per lb., it will be a little more expensive to the gentlemen who use it. Senator Clemons has spoken of the miseries of the poor, but it is the misery of the gentlemen who use this high-class cheese that the honorable and learned senator really has in his mind. I hope that some honorable senator will

secure the actual figures, but I venture to say that the greater portion of this revenue of £57,975 has been collected upon cheese. The miseries of the poor ! There is not a solitary poor family in the Commonwealth that consumes Roquefort, Camembert, or Cheddar cheese. As a matter of illustration, I suppose honorable senators were also influenced by "the miseries of the poor" in dealing with the duties upon cigars and bottled beer. They seem to think of nothing but their stomachs. They must have all these delicacies, and then they must be able to get a cheap cigar to aid the process of digestion. Senator Clemons is most anxious that we should follow the Victorian Tariff in this case, but will the honorable and learned senator advocate that course in dealing with the whole of the Tariff ? We know that he will not. He knows very well that the Victorian scientific protectionist Tariff meant only a 10 per cent. duty upon all items, owing to the fact that so many were included in the free-list in the interests of the people who really were subject to miseries. Because it suits the honorable and learned senator's immediate purpose, he now recommends that we should adopt the Victorian duty of 2d. per lb. upon butter. I am in favour of the Queensland duty of 3d. per lb., and surely that State should be considered sometimes. This is one of the items which honorable senators should allow to go. We are told that the proposed duty will not matter a fig to the producer, but in spite of that some honorable senators are prepared to run the risk of delaying the passing of this Tariff for some months, if not for a year. I do not think that is a statesman-like view to take. I do not know how the majority to which Senator Symon has referred is made up. The view I take is that in case of an ultimate fight between the two Houses and a dissolution, there will be a re-election and the two Houses will be very much the same as at present. Then in a joint meeting where shall we be ?

Senator CLEMONS.—Does the honorable senator think that we shall come back ?

Senator HIGGS.—These questions are much too pointed, and I shall not attempt to answer them. I hope that better counsels will prevail, and that the gentlemen who have it in their power to stop this deluge of talk will exercise their power.

Senator Lt.-Col. NEILD (New South Wales).—Senator Higgs has just stated that

he believes in the Queensland Tariff of 3d. per lb., and that he considers that Queensland is entitled to consideration. To follow the honorable senator's expression, I am in favour of the New South Wales Tariff, which was nothing per lb., and I think that State is entitled to consideration. If under the circumstances I am willing, and other senators from New South Wales are willing, to vote for a duty of 2d. per lb., Senator Higgs can well afford to give way to the extent of 1d.

Senator HIGGS.—Honorable senators gave up free-trade for New South Wales on account of federation.

Senator Lt.-Col. NEILD.—Somebody may have given it up, but honorable senators on this side did not. If it was taken from us that is another matter. Reference has been made by Senator Clemons to the development of the butter industry in Victoria under the existence of a duty of 2d. per lb., but I point out that without bonuses, which were given in Victoria, and without a protective duty of 2d. per lb., the position of New South Wales in the matter of butter production is not an insignificant one. If, in addition to butter production in New South Wales, we also consider the production of cheese in that State, it will be found that it is very much ahead in volume of the cheese production of Victoria. I think it will be found that dairying development in New South Wales, without either bonus or duty compares much more than favorably with its development in Victoria, where the industry has had the advantage of more regular seasons, more frequent rainfalls, and the advantage supposed to accrue from very liberal fiscal support. Though I regret, as I should, any delay in the passing of the Tariff, I am under all circumstances prepared to stand by the previous decision of the Senate and vote for a duty of 2d. per lb.

Question—That the request be not pressed—put. The committee divided.

Ayes ...	...	...	12
Noes ...	...	...	14
Majority ...	...	...	2

AYES.

Baker, Sir R. C.	O'Connor, R. E.
Barrett, J. G.	Playford, T.
Dobson, H.	Stewart, J. C.
Drake, J. G.	Styles, J.
Glassey, T.	
Higgs, W. G.	<i>Teller.</i>
McGregor, G.	O'Keefe, D. J.

NOES.

Charleston, D. M.	Pearce, G. F.
Clemons, J. S.	Pulsford, E.
Dawson, A.	Sargood, Sir F. T.
De Largie, H.	Smith, M. S. C.
Gould, A. J.	Symon, Sir J. H.
Macfarlane, J.	
Millen, E. D.	<i>Teller.</i>
Neild, J. C.	Ewing, N. K.

PAIRS.

For.	Against.
Cameron, C. St. C.	Walker, J. T.
Zeal, Sir W. A.	Ferguson, J.
Downer, Sir J. W.	Harney, E. A.
Keating, J. H.	Matheson, H. P.
Best, R. W.	Fraser, S.

Question so resolved in the negative.

Item 21. Fruits and vegetables, viz. :—
Raisins and other, including peel and ginger, preserved, not in liquid, per lb., 3d.

Senate's Request.—That the duty be reduced to 2d. per lb.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

I wish to state very shortly the salient points of the issue between the Houses. From the revenue point of view, a certain sum is, and always will be, derived from this item, no matter what the local production is. The amount which is coming in is certainly worth consideration. The revenue collected on dried fruits from 1st January to 30th June was £20,106. Making all allowances for differences of seasons and exceptional conditions, it represents a sum of £40,000 per annum. The contributions to the different States is a matter of some importance. The contributions were as follow :—To New South Wales, £4,460 ; to Victoria, £7,896 ; to Queensland, £1,947 ; to South Australia, £1,076 ; to Tasmania, £1,188 ; and to Western Australia, £3,539. It is obvious, then, that if the duty were reduced by 1d. per lb., it would lead to a loss of revenue. The revenue could only be recouped by importing 50 per cent. more of the articles, and that would undoubtedly affect very seriously the fruit-growing industry. At Renmark, in South Australia, and Mildura, in Victoria, a very large amount of capital is invested, and a large number of persons are engaged in this industry. The result has been, not only to give employment to a large number of persons, and to establish a profitable and prosperous industry, but to cheapen the cost of raisins to the consumer. We are getting all this benefit not to the detriment of the community

protection which is afforded in steadying and securing the market under all circumstances in regard to wheat. It is only fair that we should treat the man who has to till the soil with a certain amount of consideration when the benefits of protection are being distributed. If we leave him out of consideration altogether, we disturb the fairness and the balance of the Tariff. Whatever may have been the free-trade proclivities of some honorable senators, the net result is that the Tariff is protective. It has given protection to a great number of industries and occupations. Care should be taken that that protection is given fairly to all classes of the community, and the farmers who have embarked in the business of growing wheat should have the same amount of regard shown for their interests as has been shown for the interests of those growing other kinds of grain. I ask the committee to remember also that the competition in regard to wheat must be regarded very seriously. A large amount of wheat is imported from New Zealand. If wheat is made free of duty, New Zealand will probably be a much larger competitor. Two things have to be remembered. In the first place, the wheat yield in New Zealand generally is exceedingly large as compared with the wheat yield of Australia. For ten years ending 1899 the wheat yield, per acre, in New Zealand, was 24·61 bushels—an enormous yield. The average yield in Australia for that period was only 7·31 bushels. That is to say, the wheat yield in New Zealand is about three times what it is in Australia. In other words, with practically the same amount of labour—there may be a little extra labour in gathering—three times as much wheat per acre is grown in New Zealand as is grown in Australia.

Senator DAWSON.—But what about the value?

Senator O'CONNOR.—There is a great difference in the value of the wheat grown in different parts of Australia. The best flour is made from mixtures of wheat, and there has always been a good market here for New Zealand wheat. It therefore has to be remembered how easy it is for the wheat market of Australia to be flooded at any time when there is a heavy harvest in different parts of the world. I mention New Zealand as an illustration, but wheat also comes from California and Argentine. Ought we to put the men who in different

parts of Australia have to struggle with drought and difficulty during the greater part of the year in the position of having to compete with wheat-growers in those other places when the time comes that there is a good price to be obtained for wheat? There is another, and very important consideration. That is the comparison between land freight and water freight. If honorable senators take the average freight from New Zealand to Australia, and compare it with the land freight from the mallee country of Victoria to Melbourne, they will find that it does not cost any more to bring wheat from New Zealand and land it here than it costs to bring wheat from the mallee to Melbourne.

Senator PULSFORD.—From what part of New Zealand? Wheat does not grow on the wharf. There is a long inland carriage as well.

Senator O'CONNOR.—Senator Pulsford knows that there is no comparison between the long journeys that have to be made in bringing wheat from the inland parts of Australia to the seaboard, and the journeys from the most inland parts of New Zealand. Wheat is grown in portions of Riverina. Let it be remembered what a long journey that wheat has to be brought to the seaboard, or to the capital of a State, and it will be found that the freight from these different places will probably be something like the same as the freight for the carriage of wheat from New Zealand to Sydney, or to Melbourne. In view of these circumstances, I urge that we are bound to place the wheat-grower of Australia in a fair position, and that we cannot put him in a fair position under the general scheme of this Tariff, without giving him a protection which will be operative in preserving the market for him under all circumstances. We ought to put him in such a position that after paying freight, cultivating his land, and preparing his harvest, he will have the certainty that his profit cannot be taken away from him by sudden importations from other parts of the world where there happen to be a surplus in the wheat supply. Under these circumstances, I think the committee will see that this duty ought to be restored, and that the request should not be pressed.

Senator Sir JOSIAH SYMON (South Australia).—I think it may be convenient if I recall to the memory of honorable senators what took place in regard to this item,

as to which the request was made that wheat should be duty free. At first a request was moved that the whole item, grain and pulse, should be made free. There was a very long debate. So far as debate was concerned, this was indeed one of the most important items dealt with when the Tariff was originally before the Senate. A great number of honorable senators took part in it. After the debate had proceeded a considerable length, it was moved by a supporter of the Government—my honorable friend, Senator O'Keefe—that the item should be divided, barley, oats, maize, and so on being left in one category, and wheat taken out of the general list and placed upon the free list. A division took place, and his proposal was carried by a majority of six. There were sixteen votes for Senator O'Keefe's proposal and ten against it. We supported that proposal, and then the remaining articles in connexion with the item were allowed to go. We agreed to adopt that course, and from my point of view that was a compromise. That being the position, I think that an appeal for compromise does not have the slightest force in connexion with this item. The House of Representatives might very fairly have met us, seeing that we have left the duty on barley, oats, maize, beans, peas, and other commodities in the item. As they have not met us I am not disposed to go further in the way of concessions. There are good reasons why wheat is placed in a different category from other grain and pulse. Those reasons were given clearly in the debate that took place upon the amendment of Senator O'Keefe. It was pointed out that now that the barriers of Inter-State protection are levelled, wheat grown in any part of Australia can be sent from one State to another without being subject to any duty. The duty is a perfect absurdity. No wheat is imported into Australia. Senator Fraser gave some most valuable figures in the course of the previous debate, showing that in 1901-2—almost up to the very time at which the debate was proceeding, and during the period when the drought was beginning to be felt in its intensity—an immense export of wheat from Victoria had been taking place. The honorable senator gave the figures from May, 1901, up to May of this year, but I shall give only the first and the last sets. In May, 1901, Victoria exported 284,344 bags of wheat, in February of this

yearshe exported 293,837 bags, in March she exported 152,994 bags, and in April last she exported 20,419 bags. That was at the very close of the season. What does it mean? It means that even in anticipation of distress, the price of wheat, looking at the whole of the market throughout Australia, was not so high as to pay the middleman to keep it here. It is really the middleman who is affected by the duty, because the farmer cannot get any benefit from it under any circumstances. It pays him better to export it to Europe than to keep it in Australia in anticipation of better prices. The total export of wheat from Victoria for the twelve months in question was 2,079,669 bags; yet we have it suggested by my honorable and learned friend that there is a possibility of wheat being imported from the Argentine, from New Zealand, California, and other places. Of course there is no such possibility.

Senator STYLES.—Then what is the honorable senator's objection to the duty?

Senator Sir JOSIAH SYMON.—It is inoperative. I shall not call the duty a dodge, because I do not wish to refer to it in terms which would be offensive. But it is intended to delude the farmers into the belief that there is something in relation to wheat in the Tariff which will benefit them.

Senator STYLES.—They are not to be easily deluded.

Senator Sir JOSIAH SYMON.—I do not think they are. But this duty is intended to delude them by leading them to believe that they are obtaining a splendid advantage under the Tariff, so far as their wheat is concerned, and that when they are asked to pay a duty of 30 per cent. on boots and shoes they cannot complain. Senator O'Connor admitted before, and does not question it now, that the effect of the duty will be to increase prices in times of scarcity. He could not do less than make that admission. The result of the duty must be that when the price of wheat reaches a level at which it would pay to import it, 10d. a bushel will be clapped on. That increase will be made in the price of wheat from which flour is manufactured, and from which, in turn, bread is made for the people of the country. Is that just? Why should we impose a duty which is only to become operative in times of scarcity and famine? It is childish. It is unworthy of the Parliament of this country to do such a thing.

but rather to its benefit. There is a consensus of opinion that the quality of the local fruits is equal to, if not better, than that of any imported fruits. Under these circumstances, why should we insist upon a reduction of the duty? Surely there must be some reason for the insistence. Is it done because it is desired to benefit the consumer? He is already benefited, and will be more benefited the more prosperous the industry is made. The more prosperous it is made the larger will be the production, and the price, if it is affected at all, must go down in the local market. On the other hand, if the industry is stifled or hampered, we are placed more or less in the hands of the foreign producer. From the point of view of the consumer, all the reasons are in favour of the preservation of the duty of 3d. per lb. Can it be said that the duty shuts out the foreign article? It certainly is not prohibitive, because there are classes of raisins and other dried fruits which will come in whatever the duty may be. The persons who will benefit by a reduction of the duty are not the general body of the consumers, if any one is benefited, but those who buy the better class of articles and who will be able to get them more cheaply. In order to give some idea of how the duty of 3d. per lb. has operated, I may mention that when the Tariff was brought down, the revenue under this head was estimated at £25,313 per annum. The collections for six months have been very nearly equal to that amount, showing that, so far from the duty having been prohibitive or shutting out goods, it has led to a very much larger importation than was ever anticipated. We want every farthing of revenue we can get. I appeal to honorable senators representing Queensland, where £1,947 has been collected; South Australia, where £1,076 has been collected; and Tasmania, where £1,188 has been collected, whether we can afford to give up that revenue? On what principle can we be asked to give it up? It cannot be for the benefit of the consumer, or for the benefit of the revenue. Surely we are not going to disagree with the other House over a matter of this sort merely for the purpose of upholding a free-trade principle. At this stage we have not to consider the cries and shibboleths of a particular party, but we have in the interests of Australia to come to finality.

Senator O'Connor

This question should be looked at from that point of view, and unless the committee sees some very strong reason indeed—some reason founded on an actual benefit to some class in the community, or some benefit to the Commonwealth—it should not insist upon its request for the mere purpose of upholding some principle. There must be some giving way on one side or the other. On the one hand it is necessary for the purpose of protecting these industries that this duty should be maintained, because otherwise the fruit-growers will always be subject to uncertain, and it may be very large, importations coming in at different times, which must really deprive them of their markets, and cut down the price to such an extent that it would not pay them to go on growing the fruits. If they can be protected from that result by a standing duty like this without any detriment to the consumer, and with benefit to the revenue, why should it not be imposed? The protectionist has some real reason for giving this benefit—it can be given without any detriment to the consumer, and with benefit to the revenue. Under these circumstances, considering that we must come to an agreement, this is certainly one of the occasions on which the committee ought to give way.

Senator Sir JOSIAH SYMON (South Australia).—I trust that the committee will adhere to the request for some of the reasons which Senator O'Connor has stated. In the first place, he said that we should not adhere to the request merely for the purpose of upholding a free-trade principle. If on no other ground than that it was a beneficial assertion of a free-trade principle for the benefit of the people of this country I should urge the committee to adhere to the request.

Senator O'KEEFE.—What becomes of your principle of conciliation?

Senator Sir JOSIAH SYMON.—Such an argument as that might very well be addressed to those who opposed the reduction of the duty before. It was shown that a duty of 3d. per lb. was equivalent to a protection of from 75 to 100 per cent., and because the committee felt that from 60 to 70 per cent. was absolute protection, it arrived at what I call a very generous compromise when it requested that the duty should be reduced to 2d. I do not propose to re-discuss all the matters which were fully gone into on a former occasion.

From the point of view of either protection or revenue, a duty of 2d. per lb. is ample. Senator O'Connor has mentioned the amount of the collections for a period of six months. So far as the printed records show, there is no discrimination in the line fruits and vegetables, which in the Tariff are subdivided into a large number of articles. I do not know exactly whether the revenue of £20,000 was derived from the duty on raisins, or from the duties on the articles included under the head of fruits and vegetables, in item 21.

Senator O'CONNOR.—From dried fruits and vegetables.

Senator Sir JOSIAH SYMON. — I thought so. The request of the Senate is limited to one article—raisins. Item 21 is a very long and comprehensive one. I do not intend to differ with Senator O'Connor when we come directly to deal with certain articles. The item to which I refer is a much more lucrative source of revenue than is this item, because the great bulk of the commoner sorts of raisins which are consumed are those which are produced at Renmark and Mildura. It is not the duty which has benefited these people, but they have been selling their raisins in London, where they have found a good market for them. Therefore, we are putting on a duty which increases the price of the commodity consumed here. No one can say that raisins are not a necessity. We are trying to raise the standard of living among our households, and must recognise that raisins, in common with many other commodities which are consumed, must be included in the category of necessities. The duty of 2d. was the Tasmanian rate. It was imposed in that State as a revenue duty. Surely 60 or 70 per cent. protection ought to be enough from the grower's point of view. It has been contended that the duty is not prohibitive because revenue is derived from it. If it is not prohibitive, where is the protection? From my point of view it is not prohibitive, because there is a large importation, and it is for that reason that a large revenue is derived from it.

Senator PLAYFORD (South Australia). —Senator Symon has said that this duty amounts to about from 75 to 100 per cent. in some cases, and that he wants to lower it. Let me ask him how it is that he and his party do not follow out that principle in other cases? There was a duty of 80 per cent. on an article of such general consumption as salt, but his party quietly allowed

that to pass without objection. Salt, however, is far more largely consumed than raisins and currants. It goes into every household in every part of Australia, and is also largely used for purposes of manufacture, and in the preserving of food for the people. Yet no objection was taken to it.

Senator Sir JOSIAH SYMON.—Because that was a compromise made in the House of Representatives by express agreement. I said so here.

Senator PLAYFORD. — There was a compromise in regard to cement, but the honorable and learned senator did not mind interfering in that case. If the party opposite lay down general principles they ought to be prepared to apply them all round. I do not know why the people who cultivate the soil should be sought to be specially injured in this manner, or why they should not have such benefits as are conferred upon others who manufacture certain goods. In this case, Senator Symon is endeavouring to interfere with the horticultural industry, which he should do all he can to promote. The more that can be done to put people on the soil, and employ them in outdoor occupations, the better it will be for the community at large. We should endeavour to promote cultivation rather than encourage people to crowd into the towns to find work in factories. The duty proposed is necessary for that purpose. Raisins can hardly be looked upon as articles of absolute necessity, although they are articles of general consumption. They are certainly not as necessary as salt. I trust that we shall give way in regard to the matter.

Senator CLEMONS (Tasmania).—It is all very well for Senator Playford to tell us that by imposing protective duties we shall encourage people to settle in the country. If he stuck to that principle we could understand his attitude.

Senator PLAYFORD.—We have to consider other people as well.

Senator CLEMONS. — The honorable senator who now talks about encouraging people to settle in the country is just as vehement in his support of the imposition of duties of 30 per cent. on hats, boots, and other items, the tendency of which is to induce people to settle in the cities. That sort of clap-trap argument convinces no one, and is unworthy of the honorable senator who has used it. I admit that it is difficult to deal fairly with this item, for the

reason that, unfortunately, it is both absurdly protective in one aspect, and possibly scarcely sufficient from a revenue point of view, in another. From the point of view of the producers of currants and raisins in Mildura and elsewhere, the duty is hugely protective. The cost of production is about 4d. or 5d. per lb. But in regard to fancy muscatels, which cost 1s. and 1s. 3d. per lb., the duty proposed is not excessive. I should like to tax luxuries, but the difficulty is that in order to do so in this case we have to impose a ridiculously high protective duty on the major part of the articles affected. With regard to the effect of the duty on the consumers, I would point out that in Tasmania the duty on raisins was 2d. per lb. But then we got 2d. on every lb. of raisins imported into the State, no matter whence they came. Under this high protective duty, however, we should lose every farthing of revenue, because we should shut out foreign imports in favour of raisins grown at Mildura or elsewhere within the Commonwealth.

Senator O'CONNOR.—How can the honorable and learned senator say that imports are shut out, seeing that for six months the duty in Tasmania was £1,188?

Senator CLEMONS.—But those six month's collections are, to a certain extent, fallacious.

Senator O'CONNOR.—Those figures are not for the first six months, but for the period from January to June this year, when things had settled down.

Senator CLEMONS.—I regard all the figures up to date as being to a certain extent misleading owing to the loading up which has taken place. This particular duty must kill the Tasmanian revenue. I am not considering the matter from the point of view of revenue exclusively, but I am stating the facts, and it is a fact that where you put a protective duty on commodities manufactured or grown in the Commonwealth, you must necessarily take from the revenue of the smaller States. That is a sufficient answer to the arguments of the Vice-President of the Executive Council.

Senator STYLES (Victoria).—I think that Senator Playford struck home in his last speech, judging from the heat imported into the remarks of Senator Clemons, who, like most free-traders, has shown himself to be delightfully inconsistent. Just now he was telling us that the Victorian duty on butter, 2d. per lb., ought to be adopted. The

Victorian duty on raisins was 3d. per lb. Why go back on that? Senator Clemons has charged Senator Playford with being inconsistent because he wants to impose a duty on raisins and other forms of produce in order to keep people on the soil of the country.

Senator CLEMONS.—And he wants to impose a duty on other articles for the purpose of bringing them into the towns.

Senator STYLES.—It is impossible to send people who are growing raisins to make boots in a city factory, because they could not do it, nor could you send a bootmaker to grow raisins at Mildura. The two occupations require different classes of men. A protectionist like Senator Playford wants to find labour for all the people. All the people cannot be employed upon the land, because they could not exist there; not because there is not plenty of land to go to, but because there are classes of people who could not earn a living in agricultural occupations. You could not take a man who had been brought up in a jeweller's shop, and put him on the land, any more than you could take a man from a farm, and expect him to earn a livelihood in a silk warehouse.

Senator STEWART (Queensland).—Senator Clemons evidently approaches the discussion of this subject from the point of view of a Tasmanian property owner. He is desirous, above all things, of saving that individual from further taxation. Tasmania does not grow raisins. Therefore, she must import them; and Senator Clemons, being a patriotic Australian, would rather import his raisins from Spain, Portugal, Italy, or Greece than have them grown in Australia. That is the honorable senator's position. He prefers to import them from foreign countries because Tasmania can obtain a certain amount of revenue from them when they are introduced in that way. When they come from continental Australia, poor Tasmania cannot tax them. He is very sorry that Tasmania will lose revenue under this item. I would suggest to the people of Tasmania that the landlords of that State should be taxed. That would be a very good alternative to taxing raisins which are used in the puddings of the poor. Senator Clemons can himself be a protectionist occasionally. We know perfectly well that every honorable senator from Tasmania wishes to have the free run of the Australian market for anything that Tasmania produces. We

know that each one of those honorable senators would oppose to the very utmost any attempt to place any outside communities on a level with Tasmania.

Senator CLEMONS.—I should not. I do not want protection for a single thing made or grown in Tasmania.

Senator HIGGS.—The honorable senator voted for a duty on hops.

Senator CLEMONS.—I cannot have my own way in all things.

Senator STEWART.—The honorable and learned senator appears to me to be acting in his usual rôle of "fat man" advocate. He desires above all things to save the capitalist, the land-owner, and the moneyed man from taxation. He says, in effect: "Levy your taxations upon the poor; do not tax the big estates in Tasmania. Do not tax invested wealth. Tax the pudding which the poor man puts upon his table. Save the rich man at all hazards! Do not encourage any industry on continental Australia. Do not encourage people to settle upon the soil."

Senator CLEMONS.—We propose a duty of 2d. per lb. in this case.

Senator STEWART.—We want something more than a duty of 2d. per lb.—something which will be a real encouragement to settlers on the soil. The honorable and learned senator twitted protectionists with having a policy which would drive all the people into the towns. I should like to know where the people would be driven to under a revenue tariffist policy? The revenue tariffist does not attack the land-owner. He does not establish industries either in the town or country. He favours land monopoly, and monopoly of every kind, so that if his policy were carried out we should find ourselves in this beautiful position: that our lands, and other natural resources, would be in the hands of monopolists, while our workers were exposed to the competition of the cheap labour countries of the world. The immediate and only result which could flow from such a policy would be that our work people would be reduced to a level with those of the low-paid countries of the world. I have another ambition for Australia. I do not wish to see those conditions established here.

Senator CLEMONS.—The honorable senator is afraid of America, where the rates of wages are the highest in the world.

Senator STEWART.—I am afraid of nothing! If Australia is protected at once against the foreign manufacturer, and against the local land-grabber and usurer, she need fear nothing. If we have a policy of scientific protection we need not be afraid of any country or of any people, but if we proceed on free-trade principles—if we hug to our bosoms these magnificent delusions—where shall we find ourselves? We shall find ourselves without people, without industries—mere hewers of wood and drawers of water to more ambitious and more progressive communities. I can assure my honorable friends that from me, at any rate, they will get no assistance to bring about such a state of affairs. I want to have as many industries in Australia as possible. I want to have the soil of Australia as free as possible to the people. I want to have all our resources thrown open as freely as possible to the people. That will not happen under this free-trade policy. But I shall not call it "free-trade," because it is not. If it were, I could understand it. It is the thing called "revenue tariffism," which is neither free-trade nor protection, which does not establish a single industry, and which takes all its taxation and the cost of government out of the pockets of the very poorest. No policy which I can think of presses with such severity upon the work people as the policy of revenue tariffism. It exposes them to the fiercest of competition.

The ACTING CHAIRMAN.—I think the honorable senator is going beyond illustration.

Senator STEWART.—Perhaps I did not mention raisins with sufficient frequency. In any case, I am going to stand out for the higher duty.

Senator PULSFORD (New South Wales).—I think we shall do well to notice how very high these rates of duty are. I see that in Canada a duty of $\frac{1}{2}$ d. per lb. is levied on raisins.

Senator STYLES.—They do not grow them there. That is the reason for it.

Senator PULSFORD.—I am not discussing what they are growing; I am discussing their Tariff. The duty on currants in Canada is 1d. per lb., while in New Zealand the duty is 2d. per lb. on both currants and raisins. In every one of the six States the duty on raisins and currants has always been the same, with the exception of South Australia, and now that the duty on currants has been reduced to 2d., it is reasonable

that the duty on raisins should also be reduced to the same level. An impost of 2d. per lb. amounts to more than £18 per ton, while a duty of 3d. per lb. represents £28 per ton. That is an intolerable rate of taxation upon an article like raisins, which is required in all households. In the United Kingdom currants are subject to a duty of something like ½d. per lb. The idea of a duty of £28 per ton on raisins would drive statesmen in any ordinary country into a lunatic asylum.

Senator O'CONNOR.—Threepence per lb. has been the rate of duty in four out of the six States.

Senator PULSFORD.—I know that in all the States the duty has been excessive. One of the failures of Australian statesmanship has been the levying of undue taxation on dried fruits. As the Commonwealth proposes to impose a duty of 2d. per lb. on currants, the present is a favorable time to reduce the duty on raisins to the same extent. I trust that the committee will adhere to its request.

Senator HIGGS (Queensland).—In the course of his remarks, Senator Clemons said that he would not mind taxing luxuries. He admitted that muscatels come within that category, but he said that he desired to lower the duty on the other articles which are comprised in this line. These raisins were specially signalled out by Senator Symon in his attempt to get the duties lowered. Currants take the place of plums in so-called plum puddings, which are largely used in the households of the poor, and they pay a duty of 2d. per lb.

Senator DRAKE.—Dates are also used in that way.

Senator HIGGS.—So also are Mildura figs. But the raisins which Senator Symon and Senator Clemons have in view are the muscatels which are never used in the tents of the pioneer prospector. Just imagine a poor prospector asking for a pound of the muscatels which are bound up nicely with red and blue silk ribbon. After they have had their ten or twelve course banquet, these honorable senators want muscatels to complete their repast. If honorable senators pick up one of those delicately tinted *menu* cards, which are to be seen at all high-class banquets, they will find that a variety of commodities mentioned in them are comprised in this particular division which has been attacked with such force by Senator Symon and Senator Clemons.

Senator CLEMONS.—Why does not the honorable senator vote for an *ad valorem* duty on these things? As it is, he is proposing to tax the poor man's raisins just as much as muscatels.

Senator HIGGS.—The poor man uses raisins which are grown at Mildura, and of which several varieties were recently produced here by Senator Glassey. If we adhere to the duty as proposed by the House of Representatives, we shall lighten the burden of taxation upon the poor householder who has to use local raisins. Muscatels are required for after dinner purposes, but, unlike the raisins used in the households of the poor, they do not constitute the chief item in the course. Honorable senators are willing to tie up the Commonwealth and clog the wheels of the industrial machine, as they will do, on a question of after-dinner muscatels. They propose to have a fight over this question, and we know they will fight to the last when they begin speaking of the miseries of the poor. I desire to back up Senator Playford in one respect. If that honorable senator took the trouble, he could have administered a very sharp rebuke to Senator Clemons. I suppose that he takes a comprehensive view of the interests of Australia as a whole. He desires to see a complex civilization here, and he knows that we cannot have men settled upon the land without a large settled population in the towns to consume the products of their farms.

Senator PLAYFORD (South Australia).—I made a few quiet remarks in perfect good faith, pointing out how careless our free-trade friends had been in looking through the Tariff, and in not settling upon certain items for alterations, according to the principles of their leader, and I have been astonished to find that in doing so, I hurt the feelings of my honorable and learned friend, Senator Clemons. I am quite sure the honorable and learned senator, in that blessed caucus, must have contended for a reconsideration of the item, salt. The honorable and learned senator was very cross, but I think he was not so cross with me as with honorable senators constituting the party of which he is a member. He appeared to think that I should not be allowed to score in this matter, and that he must back up his leader, and he backed up his leader by abusing me. However, he did not say a word about salt,

and did not show that I was wrong in my statements, but, as lawyers frequently do, the honorable and learned senator drew a red herring across the track, and started off in another direction. I referred to the advantage of getting people to go upon the land in preference to a policy of confining them all to the cities and towns, and because I said that, Senator Clemons informed me that I was utterly mistaken, and that I was not carrying out my principles. As a protectionist, I think it desirable to give protection all round. I desire to assist every industry, and I care not whether it is a town or a country industry. Senator Clemons alluded to hats and boots, and, by way of illustration, I may be allowed to answer his remarks. I believe in a self-contained community, and I think the people ought to make their own hats and boots. If they do not do it, I am in favour of trying to make them do it by a little dose of protection, which will be advantageous to the community as a whole.

Senator Sir JOSIAH SYMON (South Australia).—This "self-contained people" is a magnificent sentiment, but honorable senators propose to have a wall 1,000 feet high put up around Australia. They will not admit any body here, and if we can not make things for ourselves we must do without them.

Senator PEARCE.—How are we to get our wheat and wool over the wall?

Senator Sir JOSIAH SYMON.—That is nothing. We can use the surplus wheat and wool as a manure for the lands occupied by the agriculturist who is to be protected by a duty of 2d. per lb. on raisins. I will not go into the subject at large, and I rose for a much more congenial purpose. We have been appealed to over and over again—and it is really the only argument I have heard that has any bearing upon the question—to make some concessions to the other House. I have acted throughout upon the principle of making a great many concessions. I consider that when the Tariff was previously before the committee of the Senate all the divisions in which the voting was equal were concessions to the other Chamber.

Senator O'CONNOR.—Why? They were decided under the Constitution, and honorable senators opposite get the benefit of the principle now.

Senator Sir JOSIAH SYMON.—Yes; but the honorable and learned senator will

not allow us to get the benefit of it, as he is continually denouncing us if we propose to adhere to our requests. On this occasion I am prepared to yield to the appeals which have been made; and simply as a concession to the views of the other Chamber, I shall not press my objection to the motion. I think the proposed duty is protective in every sense. Sixty or 70 per cent. of protection should be ample, even from the point of view of Senator Playford, and from the point of view of revenue, also, it is ample. Without repeating them, I desire to reiterate all the reasons previously urged against the Government proposal, but I recognise that in some of these cases we should not press our objection unduly. Upon that ground, as we have been appealed to by several honorable senators, I yield, and I shall not press the matter to a division.

Senator HIGGS (Queensland).—Senator Symon possesses the wisdom of the serpent and the gentleness of the dove. Honorable senators in opposition have counted heads. They know they are beaten, and they now are going to make a virtue of necessity and withdraw with a splendid grace. The honorable and learned senator says that this duty is unduly protective, and we know that if he could secure a majority just now he would not be prepared to withdraw.

Motion agreed to.

Item 21.—Fruits and vegetables, viz., . . .
Vegetables, dried or concentrated, *ad valorem*, 15 per cent.

Senate's Request.—Add to special exemptions.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

Honorable senators will recollect that, in this case, the duty originally proposed in the Tariff was 20 per cent., and, as the Tariff came to the Senate, the duty proposed was 15 per cent. The Senate requested that the item should be added to the list of special exemptions. I hope that honorable senators will agree that the Senate ought not to insist upon the request made. The industry is one which really deserves encouragement, as it offers a good outlet for vegetables produced in the country, while the operation of the duty will not increase the cost to the consumer. I think this is one of the cases in which the Senate might very well give way.

Senator Sir JOSIAH SYMON (South Australia).—When this item was debated upon a previous occasion I was under the impression, and I said so at the time, that no attempt had been made to open up an industry of this description so far as I was aware. I think it is only fair to say that a gentleman in South Australia has communicated with me, and I find that there has been a beginning made. I hope the industry will be a satisfactory one some day. I do not propose that we should press our request in this instance, not only upon that ground, but also upon the ground that this is a concession which we might fairly make to the other Chamber.

Senator HIGGS (Queensland).—I am very glad, indeed, that that gentleman in South Australia communicated with Senator Symon. If the producers and manufacturers throughout the Commonwealth will only take the hint, we shall probably get along a great deal better. This great free-trader of ours has admitted that when this item was previously before the committee he opposed the duty, because he did not know that there was an industry of this description established within the Commonwealth. Having discovered now that there is a rising industry—a South Australian industry—which he hopes will grow to some dimensions, he is prepared to withdraw his opposition to what he considers a protective duty. In a great many instances it has been shown that where the States represented by free-traders are specially concerned, they are prepared to vote for protection or anything else in the interests of their constituents. We have had the Tasmanian hop man, the wine producer, the salt man, and now we have the supporter of the dried-vegetable industry. They are now letting us see their true character. If we could only arrange to have the various industries which are to be protected established in South Australia and Tasmania, there would be no trouble here.

Motion agreed to.

Item 21.—Fruits and vegetables, n.e.i. (preserved in liquid, or partly preserved, or pulped)—

Half-pints and smaller sizes, 9d. per dozen.

Pints and over half-pints, 1s. 6d. per dozen.

Quarts and over pints, 3s. per dozen.

Exceeding a quart, 1s. per gallon.

Senate's Request.—That the duty be 15 per cent. *ad valorem*.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR (New South Wales).—I move—

That the request be not pressed.

There seems to be an inconsistency between this item and item 44, under which pickles are charged specific duties, according to the size of the bottles in which they are packed. There is no reason why there should be such an inconsistency. A stronger reason for not pressing our request is that the adoption of a 15 per cent. *ad valorem* duty would mean far too large a reduction of the protection which was originally intended. There is one point which I do not think was emphasized quite enough on a previous occasion, and that is that a large quantity of sugar is employed in the manufacture of these different kinds of preserves. There is a very great difference between the price of sugar in America or England and the price of sugar in Australia. Supposing that the local price is taken at £18 per ton: in Europe it is not more than £7 per ton—a difference of nearly 1½d. per lb. in the cost of the sugar used. I have a calculation which shows that out of the 15 per cent. duty which the committee desired to be charged, 10 per cent. would be absorbed in getting over this difference of price in the sugar used, so that the net amount of protection would not be more than 5 per cent. When we consider the large quantity of our produce which is being used in this way, and the number of persons who are interested in the natural productions of the soil, and in the preservation of a certain amount of protection here, I think it will be recognised by even free-traders that unless there is some very good reason given this request ought not to be pressed.

Senator Sir JOSIAH SYMON (South Australia).—I think that this is a fair subject on which a concession may be made to the other House. Besides the broader ground which might be stated, I think that all the points which Senator O'Connor has mentioned should influence us in that direction. Under item 44, pickles in bottles are left subject to fixed duties. My own feeling is that if at the time it had been known that a corresponding item was being subjected to an *ad valorem* duty, it might have influenced the votes of some honorable senators. There is a very considerable amount of revenue produced from this item, and that fact was recognised in the previous

discussion. I do not assent to make this concession on the ground put by my honorable and learned friend—that is, to make the duty largely protective, because, irrespective of protection, there are a great many elements which will have to be introduced before our fruits will compete with those imported from Canada and other places. Those fruits are packed under a system that secures a quality which, I believe, is practically the despair of our producers. I hope that the difficulty will be overcome, and at the present time I am quite willing that this duty should stand.

Senator HIGGS (Queensland).—I do not see my way clear to deliver an attack similar to that which I endeavoured to deliver on a previous item. There is something tangible about the concession which is given here. I congratulate Senator Symon on his action, because I believe that it augurs well for an early settlement of our troubles. Certainly, if he pursues this course, I shall not be found taking up very much time.

Motion agreed to.

Item 22. Grain and pulse, n.e.i., per cental, 1s. 6d.

Senate's Request.—That wheat be added to the special exemptions.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

It is an extraordinary anomaly to put wheat in a different position from maize, barley, oats, and other grains. Why should the grower of wheat be put in a different position from the grower of oats or barley? It certainly cannot be that the geographical conditions make any difference, because wheat is grown everywhere in the Commonwealth, except in Tasmania, where a large quantity is not produced. In the tropical parts of Australia, none is grown. In some parts of Queensland it can be grown very well. In parts of Western Australia it can be grown. In at least some part of each State it is grown, and grown in a very profitable way. The wheat-growing industry affects the farmers in every part of Australia. Is there any justification for putting the wheat-grower in a different position from the man who grows maize, barley, oats, or any of the other products which are included under the head of grain and pulse? There is none. The proposed exception will merely have the effect

of unfairly prejudicing growers of wheat, and at the same time very largely affecting the revenue which is derived from flour. We have to take the articles, wheat and flour, together. If the Tariff remained as it was, there would be a difference of 1s. per cental between the duty on flour and the duty on wheat. The Customs officials report that if we allow wheat to come in free, a large quantity of flour which now comes in will be imported in its original form, and the only persons who will be benefited will be the millers, whereas the farmers, from whom the wheat would otherwise be bought, would be very largely affected. There is no doubt that in plentiful years Australia is an exporter of wheat. She does not grow very much more than is necessary to meet local requirements, but still, under certain circumstances, she has been an importer. With the enormous extent of wheat-growing land in the Commonwealth, there is no reason why in time to come—and in a very few years, indeed—Australia should not only grow enough wheat for local requirements in all circumstances, but should have a very large surplus to export in almost any season. If we had arrived at that stage it might be that the duty would not be operative, but the necessity for its imposition is to provide against the time when imports take place. The whole thing is regulated by the local production. When it fills the home market and there is enough to export, it does not pay to import except under very special circumstances. But when the local demand is not met, then we have very large importations from California and other places which seriously affect the market. Is there any reason why the farmer who grows wheat should not have the benefit of the steadying of his market which we have given to the grower of oats, maize, and the other products I have mentioned? There is no reason in the world why that should not be so. If it could be shown that the consumer would be affected, and that the price of wheat and bread would be increased by a duty of this kind, there might be something to be said. But that has not been proved. There is really no reason why the same amount of protection should not be given to the grower of wheat as to the grower of other grains. And after all, when we have given the benefits of protection to a large number of trades and industries which exist in the cities, we ought to be very careful not to take away the

protection which is afforded in steadying and securing the market under all circumstances in regard to wheat. It is only fair that we should treat the man who has to till the soil with a certain amount of consideration when the benefits of protection are being distributed. If we leave him out of consideration altogether, we disturb the fairness and the balance of the Tariff. Whatever may have been the free-trade propensities of some honorable senators, the net result is that the Tariff is protective. It has given protection to a great number of industries and occupations. Care should be taken that that protection is given fairly to all classes of the community, and the farmers who have embarked in the business of growing wheat should have the same amount of regard shown for their interests as has been shown for the interests of those growing other kinds of grain. I ask the committee to remember also that the competition in regard to wheat must be regarded very seriously. A large amount of wheat is imported from New Zealand. If wheat is made free of duty, New Zealand will probably be a much larger competitor. Two things have to be remembered. In the first place, the wheat yield in New Zealand generally is exceedingly large as compared with the wheat yield of Australia. For ten years ending 1899 the wheat yield, per acre, in New Zealand, was 24·61 bushels—an enormous yield. The average yield in Australia for that period was only 7·31 bushels. That is to say, the wheat yield in New Zealand is about three times what it is in Australia. In other words, with practically the same amount of labour—there may be a little extra labour in gathering—three times as much wheat per acre is grown in New Zealand as is grown in Australia.

Senator DAWSON.—But what about the value?

Senator O'CONNOR.—There is a great difference in the value of the wheat grown in different parts of Australia. The best flour is made from mixtures of wheat, and there has always been a good market here for New Zealand wheat. It therefore has to be remembered how easy it is for the wheat market of Australia to be flooded at any time when there is a heavy harvest in different parts of the world. I mention New Zealand as an illustration, but wheat also comes from California and Argentine. Ought we to put the men who in different

parts of Australia have to struggle with drought and difficulty during the greater part of the year in the position of having to compete with wheat-growers in those other places when the time comes that there is a good price to be obtained for wheat? There is another, and very important consideration. That is the comparison between land freight and water freight. If honorable senators take the average freight from New Zealand to Australia, and compare it with the land freight from the mallee country of Victoria to Melbourne, they will find that it does not cost any more to bring wheat from New Zealand and land it here than it costs to bring wheat from the mallee to Melbourne.

Senator PULSFORD.—From what part of New Zealand? Wheat does not grow on the wharf. There is a long inland carriage as well.

Senator O'CONNOR.—Senator Pulsford knows that there is no comparison between the long journeys that have to be made in bringing wheat from the inland parts of Australia to the seaboard, and the journeys from the most inland parts of New Zealand. Wheat is grown in portions of Riverina. Let it be remembered what a long journey that wheat has to be brought to the seaboard, or to the capital of a State, and it will be found that the freight from these different places will probably be something like the same as the freight for the carriage of wheat from New Zealand to Sydney, or to Melbourne. In view of these circumstances, I urge that we are bound to place the wheat-grower of Australia in a fair position, and that we cannot put him in a fair position under the general scheme of this Tariff, without giving him a protection which will be operative in preserving the market for him under all circumstances. We ought to put him in such a position that after paying freight, cultivating his land, and preparing his harvest, he will have the certainty that his profit cannot be taken away from him by sudden importations from other parts of the world where there happen to be a surplus in the wheat supply. Under these circumstances, I think the committee will see that this duty ought to be restored, and that the request should not be pressed.

Senator Sir JOSIAH SYMON (South Australia).—I think it may be convenient if I recall to the memory of honorable senators what took place in regard to this item,

as to which the request was made that wheat should be duty free. At first a request was moved that the whole item, grain and pulse, should be made free. There was a very long debate. So far as debate was concerned, this was indeed one of the most important items dealt with when the Tariff was originally before the Senate. A great number of honorable senators took part in it. After the debate had proceeded a considerable length, it was moved by a supporter of the Government—my honorable friend, Senator O’Keefe—that the item should be divided, barley, oats, maize, and so on being left in one category, and wheat taken out of the general list and placed upon the free list. A division took place, and his proposal was carried by a majority of six. There were sixteen votes for Senator O’Keefe’s proposal and ten against it. We supported that proposal, and then the remaining articles in connexion with the item were allowed to go. We agreed to adopt that course, and from my point of view that was a compromise. That being the position, I think that an appeal for compromise does not have the slightest force in connexion with this item. The House of Representatives might very fairly have met us, seeing that we have left the duty on barley, oats, maize, beans, peas, and other commodities in the item. As they have not met us I am not disposed to go further in the way of concessions. There are good reasons why wheat is placed in a different category from other grain and pulse. Those reasons were given clearly in the debate that took place upon the amendment of Senator O’Keefe. It was pointed out that now that the barriers of Inter-State protection are levelled, wheat grown in any part of Australia can be sent from one State to another without being subject to any duty. The duty is a perfect absurdity. No wheat is imported into Australia. Senator Fraser gave some most valuable figures in the course of the previous debate, showing that in 1901-2—almost up to the very time at which the debate was proceeding, and during the period when the drought was beginning to be felt in its intensity—an immense export of wheat from Victoria had been taking place. The honorable senator gave the figures from May, 1901, up to May of this year, but I shall give only the first and the last sets. In May, 1901, Victoria exported 284,344 bags of wheat, in February of this

yearshe exported 293,837 bags, in March she exported 152,994 bags, and in April last she exported 20,419 bags. That was at the very close of the season. What does it mean? It means that even in anticipation of distress, the price of wheat, looking at the whole of the market throughout Australia, was not so high as to pay the middleman to keep it here. It is really the middleman who is affected by the duty, because the farmer cannot get any benefit from it under any circumstances. It pays him better to export it to Europe than to keep it in Australia in anticipation of better prices. The total export of wheat from Victoria for the twelve months in question was 2,079,669 bags; yet we have it suggested by my honorable and learned friend that there is a possibility of wheat being imported from the Argentine, from New Zealand, California, and other places. Of course there is no such possibility.

Senator STYLES.—Then what is the honorable senator’s objection to the duty?

Senator Sir JOSIAH SYMON.—It is inoperative. I shall not call the duty a dodge, because I do not wish to refer to it in terms which would be offensive. But it is intended to delude the farmers into the belief that there is something in relation to wheat in the Tariff which will benefit them.

Senator STYLES.—They are not to be easily deluded.

Senator Sir JOSIAH SYMON.—I do not think they are. But this duty is intended to delude them by leading them to believe that they are obtaining a splendid advantage under the Tariff, so far as their wheat is concerned, and that when they are asked to pay a duty of 30 per cent. on boots and shoes they cannot complain. Senator O’Connor admitted before, and does not question it now, that the effect of the duty will be to increase prices in times of scarcity. He could not do less than make that admission. The result of the duty must be that when the price of wheat reaches a level at which it would pay to import it, 10d. a bushel will be clapped on. That increase will be made in the price of wheat from which flour is manufactured, and from which, in turn, bread is made for the people of the country. Is that just? Why should we impose a duty which is only to become operative in times of scarcity and famine? It is childish. It is unworthy of the Parliament of this country to do such a thing.

I am as ready as is any one to put these things upon a proper footing. The reasons given for eliminating barley and maize from this request was that Australia does not produce, even in normal times, sufficient of those cereals for her own consumption, and that she might be flooded with importations from New Zealand, which is far more of a barley and oat-producing country than a wheat-producing country. It was also said that oats and barley which come from New Zealand compete with our own producers. That was the argument used. I do not assent to it, but it prevailed with some honorable senators, and induced them to make this discrimination. It is a plausible argument, even if it is not a convincing one. My honorable and learned friend says that this duty is for the benefit of the farmer. I say again that, generally, the farmer will not get a cent. of benefit from the duty.

Senator STANFORTH SMITH.—It will never benefit the farmers, but it may sometimes benefit the merchants.

Senator Sir JOSIAH SYMON.—Or the mill-owners.

Senator STYLES.—It certainly benefits the farmers.

Senator Sir JOSIAH SYMON.—I am sure my honorable friend entertains that opinion, and I do not question the sincerity of it. But I know that in Adelaide, which has been called the "farinaceous village," and in South Australia generally—which is a great wheat producing country—almost the whole of the wheat passes immediately after the harvest into the hands of the miller, the wheat buyer or the exporting merchant at the best prices that can then be obtained. Occasionally there are men who are strong enough to be able to hold their wheat—who do not require their debit balances wiped off at the close of the season. That, however, is only the condition of an absolute minority. Speaking for the State which has sent me here, and for the farmers who voted for all the honorable senators who come from South Australia, I assert that the great majority of them will not reap one farthing of benefit from this duty in times of scarcity. In the majority of cases the speculator, and sometimes the mill-owner will derive the benefit; and, therefore, from that point of view, it should not be consented to even for a moment. If the duty will be operative only in times of

distress, it must increase the price of food to the people. Most people have admitted, whether they are protectionists or not, that when the corn laws of England were abolished they were justly swept away. Are we to shut our eyes to the fact that the very same results which followed the imposition of those duties will happen from the imposition of such a duty as this? We are asked to impose a duty which can be operative only in times of distress, and we are to exact it from people who are suffering from distress.

Senator STANFORTH SMITH.—It might encourage grain trusts.

Senator Sir JOSIAH SYMON.—Yes. We cannot blame these men for combining to obtain a monopoly of the wheat, to hold it against a rise in prices, and then to dole it out to the millers—if they have not already secured supplies—for the purpose of grinding it into flour to be sold at an enhanced price to the people. It is human nature. But the more this item is investigated the more indefensible it seems to be. I trust that the committee will adhere to their request, which is in the interests of the people.

Senator HIGGS (Queensland).—I was hopeful that Senator Symon would have continued upon a reasonable course, and that he would not have pressed this request. Certainly it does appear to most people to be very strange that wheat should be singled out in this way. The fact that it had been singled out, was, in my opinion, one of the reasons why the House of Representatives did not propose a modification in their anxiety to arrive at a settlement. We can produce a great deal of wheat, and honorable senators who urge that the request should be adhered to admit that the duty will be inoperative. Do they know that we have some millions of acres in the central parts of Queensland which are looked upon as likely to become the granary of the Commonwealth, provided that we have a uniform Tariff to protect our farmers and do not allow wheat to come in free of duty. In spite of the duty which prevailed prior to federation a great quantity of wheat was imported into Queensland. Perhaps we shall be told that that was due to the fact that flour made wholly from Queensland wheat does not produce a good quality of bread, and that it has to be mixed with South Australian flour. I am aware that it is mixed to some extent in

that way, but the Agricultural department in Queensland is successfully cultivating varieties of wheat which will produce a flour equal to the South Australian article. I have it on the authority of Mr. McLean, who is an agricultural expert, occupying the position of under secretary in the Queensland department of Agriculture, that it will not be very long before large areas of land behind Rockhampton and in the Long Reach district will be used for the cultivation of wheat. He declares that the conditions there are as good as those prevailing in America, which is a great wheat-producing country. I hope that honorable senators of the Opposition, especially as they think that the duty will be inoperative, will allow it to remain.

Senator CLEMONS.—In its fairly inoperative now.

Senator HIGGS.—There happens to be a drought at the present time, but whether there is a drought or not the general body of the working classes appear to be called upon to suffer. The constituents of some honorable senators are exporting large quantities of wheat, which is being sold at lower prices——

Senator FRASER.—They are not doing anything of the kind now. The honorable senator should consult the position of the State which he is supposed to represent.

Senator HIGGS.—Do not say "supposed." I represent Queensland, and I believe I represent her well. That State will undoubtedly be a great producer of wheat in time to come if we give her wheat-growers some little protection. But if we make wheat free, what hope will there be for them? What hope is there when the proposal to impose a duty is opposed by men like Senator Fraser, who owns considerable station properties in Queensland, and who probably before very long will be following the example of squatters in other parts of the Commonwealth, and leasing half of his land to wheat farmers on the Metayer system, under which the farmer will give him a bag of wheat as rent for every two bags he produces. The honorable senator doubtless knows that squatters in other parts of the Commonwealth are allowing their lands to be used on that system. The squatter lets his land to the farmer who does the work, and the squatter gets, as rent, a half-share of the produce of the land. I appeal to Senator Fraser, on these grounds, to vote for a duty upon wheat. Of course, there are many

farmers in Queensland who are cultivating their own land. Though they are not farming in a large way, many of them derive a considerable income from the cultivation of wheat, and if we are to force them to throw their land out of cultivation, or to grow some other crop, we shall be adopting a very unwise policy. I hope that the committee will agree not to press the request.

Senator FRASER (Victoria).—I have listened to what I consider extraordinary statements, and I must confess that I have been greatly disappointed with the remarks made by the Vice-President of the Executive Council in speaking upon this proposed duty upon wheat. We are immense exporters of wheat. It is the growth and export of wheat, wool, and beef that sustain the whole of the body politic. But for our wheat, wool, and meat, we should be insolvent in a year.

Senator STYLES.—And butter.

Senator FRASER.—Yes, and butter. We should be insolvent in a year but for the production and export of these four commodities. I find that in the year 1901-1902 we exported no less than 2,379,000 bags of wheat, and in the same year we exported also 314,000 bags of flour. There has been for years past a stream of wheat running continuously, like a great river, from Australia to London. How can any one stop that huge export?

Senator STYLES.—No one desires to do so.

Senator FRASER.—Then what is the use of pretending to bolster up the farmer and to give him assistance by imposing a duty upon wheat? It is neither more nor less than throwing dust in the eyes of the farmer. We might just as reasonably propose to put a duty upon merino wool. It is only 100 years ago since McArthur imported three rams and six ewes into New South Wales, and now we are exporting millions of pounds of wool. Our wheat industry is only one of yesterday in the history of the nation, but it is a huge industry nevertheless. I do not suppose there is any country on the face of the earth that per head of population exports as great a quantity of wool, meat, and wheat, as Australia.

Senator HIGGS.—If the duty will be inoperative, why get so excited about it?

Senator FRASER.—It will be inoperative except at a time like the present, and

such a time has never before been known in Australia. God knows what the result will yet be. I pray Almighty God that this drought may cease, because if it does not, I tell honorable senators, and I tell labouring men, that there will be no capital in this country to give employment to labour, or to do anything else, and we shall have the biggest collapse that has ever taken place in this unfortunate country. I have been buying wheat in Roma, in the central district of Queensland, for years past.

Senator DE LARGIE. — Will the drought take away from us the lands of Australia?

Senator FRASER.—The drought has reduced the value of the lands of Australia. Honorable senators have only to look at to-day's *Argus*, and they will see the way in which the land appraisement court has valued land at Hay. They will find that in the case of 53,000 acres the valuation has been reduced from £1 to 11s. per acre, because of the difficulties of selectors. I am speaking now, not of squatters, but of selectors. I am prepared to go as far as any man living in this country to put men upon the land. I shall always strenuously support anything and everything that will have the effect of putting men upon the land and keeping them there. But I ask honorable senators to look at the reports in the *Argus* of the appraisements by the land court at Hay, where there are thousands of selectors. That part of the country is supposed to be very rich and fertile, but the records of the Lands department of New South Wales have proven the contrary, and the land appraisement court has reduced the value of selections there from £1 to as low as 8s. and 9s. per acre. Fifty-three thousand acres in that district were dealt with last week, and that is only one instance amongst a number of re-appraisements that have taken place. We really do not know what is the state of the Commonwealth just now, and instead of trying to befool farmers, we should be trying to do something that will help to keep them on their farms. At the present moment stock are dying in tens of thousands. I know what I am talking about, and let me say that there has been a bit of a corner in wheat, because stock-owners are obliged to buy wheat, oats, maize, turnips, and anything that will keep their stock alive. I have a letter in my pocket from Mr. Delpratt, of Tambourine, to which I might refer. He is a gentleman who is

well known on the Logan as an honorable man in every respect. Writing of the Logan district, where there are usually 40 inches of rain per annum or thereabouts, he says that the farmers who have taken up dairying in that district within the last two or three years are losing heavily, and their herds are dying by thousands. Strong young cattle are dying there in large numbers, and he informs me that he has had to buy chaff to feed them at £9 5s. per ton with carriage added. If there ever was a time to take off this duty it is the present time. If the Commonwealth Government rose to the occasion they would take the duty off everything that might be used to keep the starving stock alive.

Senator DAWSON.—They think this is just the time to put it on.

Senator FRASER.—I say that that is a most disgraceful statement to make in the face of the fact that stock are dying by millions, and the country is being devastated by this terrible, inconceivable drought. The Government would be doing a grand thing in taking the duty off all produce. I tell honorable senators that the day of reckoning will come, and some record will be kept of this time. Squatters and selectors are compelled to buy produce to keep their stock alive, and there has been a ring formed in some quarters to keep up the price. But for the rain which fell a few days ago in the Riverina district many of the wealthiest men in the district would not have been able to stand. If this drought continued, a man who had the Bank of England at his back would have to come down, because he would lose all his sheep. Like a captain who loses his ship, a squatter who loses the whole of his sheep cannot earn any money; he has large expenses going on, and if his income ceases, what must the result be? I am considered a strong man, and I say that no man can stand this drought for a year or two longer, because there will be no sheep left alive if it continues, and it will take years to recuperate. I recommend the Government, instead of imposing a duty upon these things and befooling the farmers, to remove duties from everything which will keep animals alive.

Senator CLEMONS (Tasmania).—This is one of the items upon which honorable senators opposite, with a good deal more of pleasantry than of accuracy, taunt honorable senators like Senator Dobson with

being "geographical free-traders." Senator O'Connor displayed a degree of ignorance, to which I do not desire to direct too much attention, when he said that Tasmania was not a wheat-growing State. As a matter of fact, a great deal of wheat is grown in Tasmania, but though, in common with others, I have sometimes been called a local free-trader, I intend to insist as strongly as I can upon our request in the matter of this duty being renewed. It is a fact, the accuracy of which I can guarantee, that no wheat can be landed in the Commonwealth under 3s. 9d. per bushel. I make that statement upon the authority of some of the biggest millers and wheat-growers in Australia, and we can assume that it is correct. I can say without hesitation that there is no sane farmer in the Commonwealth who would not jump at the chance of selling the whole of his wheat crop for the next twenty years at 3s. 9d. per bushel, though the present price of wheat in Australia is from 4s. 9d. to 5s. per bushel. What, then, is the object of this duty which represents about 1s. per bushel? At the present time I suppose it is operative, as I believe that but for the duty the present price of wheat would not be as high as it is. The result of the imposition of the duty is simply that whereas every farmer would gladly have taken 3s. 9d. per bushel, he is getting 4s. 9d. if he has any left. I do not believe that a single farmer in Australia, who deserves our respect, would say that, while in ordinary times he takes with pleasure 3s. per bushel, he is anxious to get 4s. 9d. per bushel in times of stress and necessity. I do not think that there is a farmer who would knowingly put himself in that position. For these reasons, and with a full knowledge—in spite of what Senator O'Connor has said—that it is grown very largely in Tasmania, I shall willingly vote as I did before to make wheat free.

Senator HIGGS (Queensland).—Senator Clemons has spoken of the farmers getting 3s. per bushel for their wheat. The unfortunate farmers do not get that price at any time.

Senator CLEMONS.—What are they getting now if they have any wheat?

Senator HIGGS.—It was sold at 2s. 9d. per bushel to those persons who held on to it until the people had to pay 5s. per bushel. It is not altogether the drought which has kept up the price of wheat. It is the various rings who are doing that. I

am anxious to help the farmers by means of a protective duty. There is a movement throughout the Commonwealth to induce the State Governments to establish State flour mills where the farmer can get his wheat ground into flour, instead of being compelled to sell on the farm to the agents of rings.

Senator DAWSON.—How will the duty affect them?

Senator HIGGS.—The farmer will be protected against outside competition. He will continue to grow wheat, and he will agitate, and be assisted to agitate, for the establishment of State flour mills. If it is desired to help the farmer, he should not be exposed to the competition of foreign countries like the Argentine and Siberia.

Senator CLEMONS.—Siberia sending wheat here!

Senator HIGGS.—The honorable and learned senator, who always speaks with greater authority than any one else, challenges the idea that there is any wheat cultivation in Siberia.

Senator CLEMONS.—I said that they could not send it here.

Senator HIGGS.—The *Statesman's Year Book* will disclose the amount of cultivation which is going on in Siberia as well as in the Argentine.

Senator CLEMONS.—If they could land wheat here, at what price could it be done?

Senator HIGGS.—The same remark was made in respect to the Argentine, which is one of the greatest competitors that Australia has to meet in the English market as regards sheep, cattle, and wool. The honorable and learned senator seems to lose sight of the fact that it has only been in recent years that agriculturists have taken to cultivating the lands of Siberia. If he will go to the Library and read a book by a Frenchman called Leroy Beaulieu, who spent some time in investigating the conditions of various industries in China, Japan, and Siberia, he will see that we are likely at any time to be exposed to the competition of those countries. The competition of Siberia is unfair to the farmers in Australia. The drought, which is spoken of in such heartrending terms, will not last forever. Senator Fraser has said that if it lasted the squatters would go down. If we get no rain throughout the Commonwealth we shall have to flee or die. But to talk of these calamities in that way is, to my mind,

to border on exaggeration. There has been a fair fall of rain throughout New South Wales. This is a drought of an almost unprecedented character. As a rule a drought comes only once in four years.

Senator FRASER.—This one has lasted four or five years.

Senator HIGGS.—The honorable senator belongs to the class who are always howling calamity, although they are able to get 40s. for a sheep, whereas, in the drought of 1879 a sheep could be bought for 1s. The squatter who has some sheep to sell is not suffering very much.

Senator FRASER.—I shall be very glad to get 1s. a head for some sheep in the centre of Queensland.

Senator HIGGS.—The honorable senator should have sent his sheep down to the market when they were able to travel.

The ACTING CHAIRMAN.—These remarks are not at all relevant to the item.

Senator HIGGS.—What annoys me, sir, is to hear honorable senators pleading for the introduction of free wheat, because the drought is affecting pastoralists who have a number of sheep for which they would be glad to get 1s. per head.

Senator FRASER.—There is a bit of a corner in wheat now.

Senator HIGGS.—There is a corner in sheep, too—otherwise the public would be able to get their mutton at a lower price.

Question — That the request be not pressed—put. The committee divided.

Ayes	...	...	...	12
Noes	...	...	...	15
				—
Majority	...	...	...	3

AYES.

Baker, Sir R. C.	O'Connor, R. E.
Barrett, J. G.	Playford, T.
Dobson, H.	Stewart, J. C.
Downer, Sir J. W.	Styles, J.
Drake, J. G.	
Glassey, T.	<i>Teller.</i>
McGregor, G.	Higgs, W. G.

NOES.

Charleston, D. M.	O'Keefe, D. J.
Clemons, J. S.	Pearce, G. F.
Dawson, A.	Pulsford, E.
De Largie, H.	Sargood, Sir F. T.
Ewing, N. K.	Smith, M. S. C.
Gould, A. J.	Symon, Sir J. H.
Millen, E. D.	<i>Teller.</i>
Neild, J. C.	Macfarlane, J.

PAIRS.

<i>For.</i>	<i>Against.</i>
Best, R. W.	Fraser, S.
Zeal, Sir W. A.	Ferguson, J.
Cameron, C. St. C.	Walker, J. T.
Downer, Sir J. W.	Harney, E. A.
Keating, J. H.	Matheson, A. P.

Question so resolved in the negative.

Item 23.—Grain and pulse, prepared or manufactured, viz., n.e.i., per cental, 2s. 6d.

Senate's Request.—That the duty be reduced to 1s. 6d.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

In this instance the House of Representatives decided by a majority of ten not to accept the suggestion of the Senate. I mention that first, because it is a consideration which is worthy of note in connexion with all these questions which we have to decide now. There has to be a decision ultimately, and it is an element of importance to consider what the attitude of the other House was and what was the majority there. As far as I can see, there appears to be a disposition on the part of some honorable senators to discuss and decide these questions exactly upon the old lines upon which they have been discussed and decided in both Houses for many months. We shall never arrive at a settlement unless some new element is imported into the discussion, and we should consider whether one side or the other cannot give way in regard to the opinions expressed. I regard what is proposed in this case as the lowest amount of duty which can reasonably be imposed for all purposes.

Senator HIGGS (Queensland).—I hope that honorable senators will vote for not insisting upon the request in this case, because, having secured the introduction of free wheat, they should not object to that wheat being turned into flour by the local flour mills. They surely cannot object to the employment of Australian workmen in flour mills. A duty of 2s. 6d. per cental amounts to a little over $\frac{1}{4}$ d. per lb. That is not a very great protection, and is not likely to increase the price of flour very much.

Senator Sir JOSIAH SYMON (South Australia). — I wish to say, in reply to what Senator Higgs has said, that it seems to be overlooked that, by adhering to the request we have made, we are making a greater discrimination in favour of the

local mill-owner than was given by the Tariff as it came up from the House of Representatives. The duty on wheat was 1s. 6d., whereas it is now free. Formerly the duty on flour was 2s. 6d., and there was a difference of 1s. Now our request makes a difference of 1s. 6d. So that my honorable friend has entirely overlooked the fact that by adhering to our request we are giving a greater advantage and not a lesser one to the miller. As to what Senator O'Connor has said with regard to the certainty that by-and-by we shall have to arrive at a final settlement, I reply that of course we shall. We hope that it will be a settlement satisfactory to all parties in Parliament and satisfactory to the country. We should have had a better foundation upon which we could proceed, if it had not been that unfortunately no reasons have been given by the House of Representatives as to why they have refused our requests. It would have been a very great convenience if those requests which they could not see their way to comply with had been set out in a schedule, and if opposite to each one of them the reasons had been given why they had not been accepted. We have practically nothing to debate, so far as the reasons of the House of Representatives are concerned. Although Senator O'Connor has given us the benefit of the reasons which appeal to him, they are the reasons of the Government and not of the House of Representatives. Naturally and necessarily, they are very largely a rehash of what we have gone over before. It could not be otherwise. That being the case, I hope that we shall adhere to our request.

Senator O'CONNOR.—There is one matter to which I should like to refer now, and that is in regard to an anomaly that would be created with respect to oatmeal manufactured if the suggestion were pressed. It will be remembered that we have already agreed to a duty on oats of 1s. 6d. per cental. This item, "prepared or manufactured," includes what are called hulled oats; that is to say, oats with the husks taken off them. They are imported largely for the purpose of making oatmeal. In hulling, oats lose half their weight. So that it would be very much better to use imported hulled oats at a duty of 1s. 6d. than to use our own oats, because the imported hulled oats, having half the weight, come in at half the duty at which ordinary

oats will come in. Upon that subject a representation has been made by the leading oatmeal manufacturers of Melbourne. The document from which I will read is signed by Messrs. McKenzie and Co., Messrs. Harper and Co., and Messrs. Parsons Brothers and Co. They say in the course of this communication:—

If the duty on prepared grain, *n.e.i.*, as suggested by the Senate, is reduced to 1s. 6d. per cental, the same as the duty on unprepared grain, then the prepared or manufactured articles mentioned will come in at a much lower duty equivalently than that at which the raw materials of same are admitted. For instance, shelled or hulled oats, which are always cleaned and kiln dried before shelling, and after shelling are dressed, lose 50 per cent. of their original weight as oats. Therefore 1 cental of shelled or hulled oats represents 2 centals of oats which had not been so prepared or manufactured. Consequently, if the duty on the prepared article is reduced to 1s. 6d. per cental, it will be equivalent to only 9d. per cental on the raw material, one-half of the ordinary oat duty being evaded by the reduction of the original bulk or weight of the oats. The reduction of the duty of 1s. 6d. per cental would open the door for all the oats required for oatmeal purposes to come in at equivalently half the duty which the Tariff fixes for oats. This would be a most serious blow to the farmers of the Commonwealth. It would also do great injury to the oatmilling industry here, as by admitting the almost completed product (shelled or hulled oats being "next door" to "oatmeal") into this market at equivalently half the rate which the raw material has to pay, it would be practically offering a premium to outside mills to do the work, and valuable employment for a large amount of labour and much valuable machinery would thereby be lost to the Commonwealth.

That letter seems to put in a very concise way the anomaly that would be created by adopting the Senate's suggestion, and it comes from a source which cannot be doubted, because, although these people are interested, they are writing about a matter which they understand. It must be apparent to everybody that what they represent will be the case. That is to say, if these firms can get prepared oats imported at practically 9d. a cental instead of 1s. 6d., we shall take away to a very large extent the protection which we have already given to the growers of oats in Australia. It will be remembered that a number of those who voted for the 1s. 6d. per cental on other grain did so on the ground that if that protection were not given, locally-grown grain would be likely to be swamped and driven out of the market by importations from other places. That being so, it is surely unfair to leave unprepared oats in such a position that it will pay the miller

better to buy imported oats than to use the oats grown by our own people. We ought to be consistent, and impose a duty on this and other grains of the kind in contradistinction to what has been done in regard to wheat. Do not let us impose it with one hand and take it away with the other. Do not let us tell the growers of oats in Tasmania that we propose to give them a certain amount of taxation, and then by the way in which we treat them in this next item really take away the market which we otherwise should give them. Above all things let us avoid anomalies which are almost sure to create a feeling that injustice has been done, and which really operate to produce the very opposite effect to that which the majority of the committee have intended in dealing with these items generally. I hope that the committee will not press its request.

Senator Sir JOSIAH SYMON (South Australia).—I have said practically all that I wish to say about this matter, but I desire to point out that the anomaly in relation to hulled oats, to which Senator O'Connor has just referred, is due not to the request made by the Senate, but to the want of care with which the preceding lines in item 23 have been framed. It might have been included under the heading of "Oatmeal, rolled oats," and so on, or we might have had it in a line by itself. The reason that the anomaly exists is of course that it was not discovered until these gentlemen found it out, and indicated the fact in the letter which has been read. It seems to me that it would be a very strange proceeding to charge the same duty upon hulled oats, which are not oatmeal—and which, so to speak, are only half-way between the raw grain and the manufactured article—and upon flour. I see what the difficulty is, and if my honorable and learned friend will suggest that hulled oats be put into a new line, I shall assent to that being done. I should be sorry to see them admitted free of duty or at a lower rate than would be proper in view of the fact that the duty on oatmeal is $\frac{1}{2}$ d. per lb. That would be unfair to the miller who manufactures oatmeal, and it would also be unfair to those who have to import oats, because this is a commodity which is betwixt and between. If my honorable and learned friend will suggest any way by which we can impose a duty on hulled oats I shall agree to it.

Senator O'CONNOR.—We shall meet with difficulties if we attempt to deal with these

prepared articles in a different way. We must take them as a whole.

Senator Sir JOSIAH SYMON.—We cannot possibly do that. As we have made wheat free, flour should not be left at 2s. 6d. a cental. Whereas under the Tariff as introduced the difference was only 1s., under our request the difference would be 1s. 6d., and surely that is enough. As Senator O'Connor does not propose some way of meeting the difficulty, I would suggest the introduction of a new line "n.e.i., except as to hulled oats."

Senator O'CONNOR.—I cannot accept that, and I do not think it would bring us any nearer a settlement.

Senator Sir JOSIAH SYMON.—Perhaps it would not meet the difficulty.

Senator PULSFORD (New South Wales).—I venture to think that the best way out of the difficulty would be to make the duty of 1s. 6d. per cental apply only to wheaten flour. Undoubtedly that is the principal article which we desire to bring down to this level. I think that the others are of no great importance, and I am not sure that the item mentioned by Senator O'Connor is worth troubling about.

Senator Sir JOSIAH SYMON.—One more anomaly will not count for much.

Senator PULSFORD.—No. If we limited our request to wheaten flour the difficulty would be overcome.

Senator Sir JOSIAH SYMON.—That would not put the duty on hulled oats. Let us adhere to our request.

Question — That the request be not pressed—put. The committee divided.

Ayes	...	...	10
Noes	...	...	14
<hr/>			
Majority	...	...	4

AYES.

Baker, Sir R. C.	O'Keefe, D. J.
Barrett, J. G.	Playford, T.
Drake, J. G.	Styles, J.
Glassey, T.	
McGregor, G.	<i>Teller.</i>
O'Connor, R. E.	Higgs, W. G.

NOES.

Charleston, D. M.	Neild, J. C.
Clemons, J. S.	Pearce, G. F.
De Largie, H.	Pulsford, E.
Dobson, H.	Sargood, Sir F. T.
Ewing, N. H.	Symon, Sir J. H.
Gould, A. J.	
Macfarlane, J.	<i>Teller.</i>
Millen, E. D.	Smith, M. S. C.

PAIRS.

For.	Against.
Cameron, C. St. C.	Walker, J. T.
Zeal, Sir W. A.	Ferguson, J.
Downer, Sir J. W.	Harney, E. A.
Best, R. W.	Fraser, S.
Keating, J. H.	Matheson, A. P.
Stewart, J. C.	Dawson, A.

Question so resolved in the negative.

Item 24. Hay and Chaff, 1s. per cwt.

Senate's Request.—Add to special exemptions.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

I do not intend to repeat arguments which have already been used. I think that the committee is in possession of the merits of the question, but I wish to mention that the motion submitted in another place that the amendment requested by us be made was defeated by ten votes, while in this House the request was carried by only two votes. As we have to come to an agreement ultimately, and, as I said before, the sooner the agreement is arrived at the better it will be, I would ask honorable senators whether, considering the merits of this question, anything is to be gained by pressing our request. Without going into the merits of the matter, I would point out that on the grounds of protection, the equal distribution of the benefits of the Tariff, and every other ground, the duty should be allowed to stand.

Senator MILLEN (New South Wales).—The Vice-President of the Executive Council has requested the committee not to adhere to its request on the ground of the equal distribution of the benefits of the Tariff. Words like that when applied to the duties on fodder sound very strange to the ears of honorable senators from New South Wales.

Senator Lt.-Col. NEILD.—Especially from the lips of a New South Welshman.

Senator MILLEN.—And especially coming from a New South Welshman at a time when it may safely be said that nine-tenths of New South Wales is struggling with a drought, the like of which no white man has ever seen here before.

Senator O'CONNOR.—Are we making a Tariff for these exceptional times?

Senator MILLEN.—We are making a Tariff to ruin the people who are suffering.

Senator Sir JOSIAH SYMON.—The duty will not be of any avail in normal times.

Senator MILLEN.—Exactly. The duty therefore can only be imposed for a time of extreme distress, such as the present. Had the Government shown some inclination to listen to the prayer for help, and to remit these duties at a time like this—

The ACTING CHAIRMAN.—I do not think I can allow the honorable senator to go into that matter; it is really not relevant.

Senator MILLEN.—Then I will say that if the Government had taken some course different from that which it has adopted in regard to these duties the request that we should give way might not have been unreasonable. But as the only chance which the representatives of New South Wales have to obtain some concession in this direction is by the adherence of the committee to its request, it is utterly impossible for any of us to adopt the attitude suggested by Senator O'Connor. Since the Senate last dealt with this matter, I have had an opportunity of travelling through many of the country districts of New South Wales, and I regret to say that in no single instance have I seen anything to justify me in supposing that the reports of the drought have been exaggerated. Indeed, everything proves the contrary. In spite of the temporary relief which the rain has given to a few districts, New South Wales is to-day in a more perilous position than she has ever been in. Not only is the condition of that State as I have described it, but I find that there is an intensely bitter feeling growing up as the result of the want of sympathy shown by the Federal Government. It is only a straw in the current of affairs, but it will not have escaped the attention of honorable senators that in the State Parliament last night, the Premier was asked whether he would take steps to secure the secession of the State from the Union.

Senator DRAKE.—What did he say?

Senator MILLEN.—The honorable and learned senator asks me what he said.

The ACTING CHAIRMAN.—I ask the honorable and learned senator whether he thinks this is relevant.

Senator MILLEN.—I am endeavouring to submit evidence of the feeling in New South Wales upon this particular item. With all deference, I think I have a right, speaking for the electors of New South Wales, to show that they have pronounced very strongly upon this matter, and that

I, as one of their representatives, cannot adopt the attitude which the Vice-President of the Executive Council asks me to adopt. Senator Drake has asked me what reply was given to the question to which I have referred. It is a significant thing that the Premier of New South Wales was not prepared straight off to say "No" to the question. He asked that the questioner should give notice of his question. Honorable senators may laugh, but they should recognise that the question is likely to become a very acute and very active one in New South Wales unless some larger measure of consideration is shown for that State than the Government are apparently prepared to concede. Without going further into the matter, I say that it is impossible for me, as a New South Wales representative, to do anything else but vote that this item should be placed upon the free list.

Senator Lt.-Col. NEILD (New South Wales).—I indorse every word that has fallen from my honorable colleague, Senator Millen. I do not know that the heart of New South Wales has ever been so deeply stirred, during the 40 years I have lived in that colony and State, over any one question as it is stirred to-day, and has been stirred for some time past in connexion with this question of the duties upon forage. Not only the great pastoral interest, but the dairying interest, and the cabmen and draymen feel the present strain. The cabman feels it very bitterly, because, while the price of feed for his horse or horses has been materially increased, his power of earning owing to the drought has been materially decreased. He is, unfortunately, hit on both sides, and he ought to be considered. Certainly draymen and cabmen cannot be classified under the heading of the great financial institutions we heard so much about in a recent debate upon this item. I very strongly reprehend the action of the Government in attempting to wring from those in peril and distress, and only at such times and only from such persons, the proposed tax which Senator O'Connor asks the committee to assent to. The honorable and learned senator knows perfectly well that this is a tax which can only fall upon my State in times of distress, of national calamity, and even of national peril. It is certainly not for such times and circumstances that any Parliament should regulate special taxation. This tax is valueless to the

Government in a time of prosperity, and is of use as a revenue collecting machine only in times of peril and distress. I speak perhaps warmly, but I am prepared to fight this matter to the last, and if I have to go down upon it, it shall be with the New South Wales colours at the fore.

Question — That the request be not pressed—put. The committee divided.

Ayes	...	...	...	11
Noes	...	...	...	13
Majority				2

AYES.

Baker, Sir R. C.	McGregor, G.
Barrett, J. G.	O'Connor, R. E.
Dobson, H.	Playford, T.
Drake, J. G.	Styles, J.
Glassey, T.	<i>Teller.</i>
Higgs, W. G.	O'Keefe, D. J.

NOES.

Charleston, D. M.	Pearce, G. F.
Clemons, J. S.	Pulsford, E.
De Largie, H.	Sargood, Sir F. T.
Ewing, N. K.	Smith, M. S. C.
Gould, A. J.	Symon, Sir J. H.
Macfarlane, J.	<i>Teller.</i>
Neild, J. C.	Millen, E. D.

PAIRS.

For.	Against.
Stewart, J.	Dawson, A.
Best, R. W.	Matheson, A. P.
Cameron, C. St. C.	Walker, J. T.
Zeal, Sir W. A.	Ferguson, J.
Downer, Sir J. W.	Harney, E. A.
Keating, J. H.	Fraser, S.

Question so resolved in the negative.

Item 46. Rice, n.e.i., per cental, 6s.

Senate's Request—That the duty be reduced to 5s. per cental.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

In proportion to population, rice is used much more largely in Queensland than in any other State, because of the number of coloured aliens there. In the Northern Territory of South Australia a great quantity is used. Until rice is largely produced in Queensland—and we hope that it will be by-and-by—there must be in that State, as in others, a large amount of revenue derived from its importation. In the six months extending from the 1st January to 30th June of this year—after a great portion of the overloading had been got rid of, and normal conditions restored—we collected in New South Wales, £6,020; in Victoria, £3,598;

in Queensland, £16,126; in South Australia, £4,096; in Tasmania, £1,160, and in Western Australia, £2,728, showing an enormous consumption of the article in Queensland; as compared with other States. It is undoubted that if the duty is reduced by 1s. per cental, the revenue will be diminished all round. No more rice will be imported by reason of the reduction of the duty, because for a long time to come it must be imported. The consumption of the article will not be increased by a reduction of the duty, but a very large sum will be lost to the revenue. In the case of Queensland the loss to the revenue would be at least £5,400 per annum, and proportionately the same in the other States. From the standpoint of the Commonwealth revenue that is a very serious consideration. The States are equally interested in the preservation of this revenue. If the duty is reduced by 1s. the margin to the rice-cleaners will be reduced from 2s. to 1s. net. This is unjustifiable. The rice-cleaning industry is certainly one which ought to be regarded. If we can preserve revenue, and, at the same time, give an additional amount of protection to the rice-cleaners, it ought to be done. Considering how this question has been thrashed out in both Houses, I submit that the time has now come when the committee might very well abandon its request.

Senator Sir FREDERICK SARGOOD (Victoria).—In the temporary absence of Senator Symon I have to ask the committee to oppose this motion. Our request was disagreed to by a small majority of three in a House of 76 members; while it was carried here by a majority considerably in excess of that number. The printed paper which has been circulated shows that, while rice was free in New South Wales and Western Australia, it was subject to a duty of 3s. per cwt. in South Australia; 1d. per lb. in Tasmania and Queensland, and 6s. and 4s. per cental in Victoria. Senator O'Connor was quite correct in stating that, whereas under a duty of 6s. per cental the margin to the cleaners is 1s. 10d., under a duty of 5s. per cental it would be reduced to 1s. He has stated that, in his opinion, a margin of 1s. per cental is not sufficient. That is a matter upon which we may fairly differ. The inquiries I have made lead me to think that it is quite sufficient, bearing in mind that what is called the refuse is worth about £4 per ton. All through the discussions on the Tariff we have been told

of the inability of various manufacturers to carry on if the duties were reduced. I must confess that the longer the consideration of the Tariff is prolonged, and the more opportunities I have to look into these questions, the more doubtful I am as to the accuracy of those statements on the part of the manufacturers. There are some most glaring inconsistencies in their statements. I may refer, in passing, to the woollen factories, which were to be ruined when the duty was reduced to 30 per cent., but which, with a protection of 15 per cent., are better off than ever they were. It will be recollected that when the rice and starch duties were being considered, a circular letter by Mr. T. A. Lewis, of the firm of Lewis and Whitty, was quoted by an honorable senator. I have no doubt that it affected the votes of more than one honorable senator. It affected my vote, because I knew the writer. After it was received by me, I sent to Mr. Lewis and went into the matter with him, and he assured me, from his personal knowledge, that the statements it contained were absolutely correct. The letter, which is dated 8th May, reads as follows:—

So much has been said in the House of Representatives upon the "starch" question that is not in accordance with facts, that I think it advisable to acquaint you with some particulars that justify the continuance of the present duty and also the removal of the excise, and thereby, to a great extent, equalize the conditions of the Australian starch manufacture with the English and continental makers.

I had exceptional opportunities when visiting the works of Messrs. Colman, at Norwich, of ascertaining particulars not generally known in connexion with their works. The information was direct and personal.

They pay their men 12s. a week, provide them with a house to live in, with a little land about it for which they charge 2s. per week, leaving a net balance of 10s. for their services. They work ten hours a day, and if after such working they have the inclination to cultivate the soil about their houses, the firm undertakes to find a market for the produce. The education of the children is also undertaken by the firm, the parents paying 2d. per week for one child, 2d. per week where there are two, and 3d. per week for three, or equal to 1d. each child weekly. The conditions existing here, so far as ourselves are concerned, are as follow:—We pay the men doing the same work from 36s. to £2 2s. per week: they work eight hours a day. We think this comparison will serve the purpose so far that it will indicate how we are handicapped on the question of wages alone. There are further particulars, which I shall be very pleased to enter into at the interview you were good enough to promise on Monday next.

At that interview Mr. Lewis confirmed all that he had stated in his letter, and gave me further information in the same direction. I told him that the information was such as surprised me, and subsequently I thought that the best thing I could do was to send a letter to my partner, Mr. Ewen, in London, asking him to submit to Messrs. Colman the letter of Mr. Lewis, and hear what they had to say. A mail or two ago I received the reply, which they sent to Mr. Ewen on the 7th July, and which reads as follows :—

In reply to your favour of the 4th instant, we beg to inform you that, whilst it is somewhat unusual to receive an inquiry concerning that which, after all, is a purely private matter affecting the conduct of our business, the statements of your correspondent are so absolutely inaccurate, notwithstanding the assertion that his information was obtained "direct and personal," that our directors desire to reply to your courteous communication in the same spirit as that which inspired it.

The current wage of our starch labourers, instead of being 12s., as stated by Mr. F. A. Lewis, is 23s. per week; foremen, fitters, engineers, skilled workmen, and others of course obtaining a much higher rate of pay. Their average hours are not more than 58 per week, and are frequently less when the nature of the work permits. In addition, our directors provide a pension scheme, which enables our hands to retire at 65 years of age on a life pension of 8s. per week, irrespective of a further 2s. per week arising from the pensioner's own contribution of 2d. per week, upon which compound interest has been allowed by the company, and which is always the property of the employé. This scheme alone involves an expense of many thousands of pounds per annum.

Your correspondent refers to education. The directors encouraged the education of the children of the workpeople long before the passing of the Education Act of 1870 at a large annual expense, which the nominal charge made was wholly inadequate to discharge. Only quite recently did the company surrender its schools to the board in order that the children might be brought into line with the system of education nationally adopted. Thrift is encouraged by the creation of savings banks and sick clubs, all of which are carried on at a large expense to the company. The costs of manufacture are dependent upon many things. Besides the cost of labour there are the rates and taxes, the price of raw materials such as coal, carriage, all so varied and far-reaching in effect as to require, as we informed another correspondent, an economic treatise to deal with them.

Your correspondent's statements as to rents and allotments are as misleading as are his statements respecting costs of labour. But few of the many hundreds of hands are tenants of the company, and a still fewer number are allotment holders, and no attempt is made, as your correspondent asserts, to relieve such holders of their produce.

We do not desire to refer to other heavy expenses incurred to benefit and improve the social

status of our workpeople involving a very large annual outlay, as we think we have said sufficient to prove that when all these matters are actuarially valued, the disparity in wages, the existence of which your correspondent tried to prove, almost if not entirely disappears.

Your correspondent should be made to realize that any attempts to influence legislation must be based on facts, and not on such inaccurate statements as those made to Sir Frederick Sargood, and for this reason we have much pleasure in supplying you with the information herein contained.

We have no record of a visit being paid to these works by Mr. Lewis. Would Sir F. Sargood oblige us by ascertaining the date when the alleged visit took place?

On receipt of this letter I communicated with Mr. Lewis, and he came to see me. I read this letter to him, and gave him a copy of it, and he then, for the first time, stated that it was thirteen years ago when he visited the works of Messrs. Colman. I asked him why, in his circular to members of the Senate, he did not mention that fact, and I must confess that his reply was not by any means satisfactory. As the letter of Mr. Lewis was circulated amongst honorable senators, I thought it only fair to the committee and to Messrs. Colman to read their reply also. I have done so. I may also state that quotations were made at the same time with regard to the fact that Messrs. Colman supplied their starch at a higher price to buyers at home than the price at which they are prepared to sell it for export. I need hardly say to those who know anything of business that that is not an unusual thing. The export business is an extra business, which a firm can afford to do at a lower price. But Messrs. Colman also take exception to that statement, and they say that the difference is simply caused by the fact that at home they supply their goods on such terms that they have to pay all the expenses of delivery, and that accounts for the variance in price.

Senator STYLES (Victoria).—As my name has been introduced into this discussion—not by Sir Frederick Sargood, who has dealt with the subject, as he does with every subject, in a gentlemanly way; as my honorable friend, the Opposition whip, has interjected that I read the letter from Mr. Lewis—I desire to say a few words. It is true that I read the letter, but it is also true that every member of the committee at that time had a copy of it. Therefore the fact of my reading it cannot have influenced the committee in regard to their

Senator Sir Frederick Sargood.

decision. If I had not read it aloud, it cannot be doubted that some other honorable senator would have done so. It may be remembered that I was the third member of the committee who took part in the debate upon the starch question—that is to say, I spoke after the Vice-President of the Executive Council and the leader of the Opposition had addressed the committee. Had I intervened a little later in the debate, probably some one else would have read the letter. Probably Senator Sargood himself might have done so. After I had read the letter, Senator Symon interjected—

The honorable senator does not accept the statement as to Colman's, does he?

Then the following passage occurred:—

Senator STYLES.—Yes.

Senator Sir JOSIAH SYMON.—I should not.

Senator STYLES.—I have no reason to think that Messrs. Lewis and Whitty would put their names to a deliberate untruth.

Senator Sir JOSIAH SYMON.—It looks uncommonly like it.

Senator STYLES.—Their statement may be untrue, but I do not think it is. If I thought this letter were untrue I would throw it into the waste-paper basket.

Senator Sir JOSIAH SYMON.—Hear, hear.

There is another phase of this question to which Senator Sargood has not referred. By permission of the committee I will read a letter which was published by Messrs James Service and Co., who are the agents for Messrs. Colman in Melbourne. This letter appeared in the *Argus* on the 31st of last month:—

On 6th June last, on a motion in the Senate by Sir Josiah Symon that a recommendation be made to the House of Representatives that the duty on starch should be reduced from 2d. to 1½d. per lb., Senator Styles, in opposing the motion, argued that it was unfair to make this reduction, because manufacturers of starch were paid high wages, while an English firm like Messrs. J. and J. Colman Limited only paid their workmen 12s. a week, supplying them with a house, for which they charged 2s. per week. In support of his statement, he read a letter from Mr. Lewis, of Messrs Lewis and Whitty, as his authority.

We at once forwarded to Messrs. J. and J. Colman a *Hansard* copy of the debate, and are just in receipt of a cable from them, announcing that the statement made is "absolutely untrue," and requesting us to make this information public, and that they are sending us full particulars by post.

I should also like to direct attention to Mr. Lewis' reply to that letter. It is only fair that some one should speak on behalf of Mr. Lewis, and as I have taken an active part in the discussion I will do so.

I may mention that I have never seen Mr. Lewis in my life, to the best of my knowledge. From this letter the committee will see that Mr. Lewis takes the whole responsibility upon himself. He says, in a letter to the *Argus*, on the 1st August—

A letter appears in to-day's issue from Messrs. James Service and Co., as agents for Messrs. J. and J. Colman, denying the truth of the statement furnished by Senator Styles respecting the remuneration paid by Messrs. J. and J. Colman to their workmen. As the author of the statement I wish to say that the information was imparted to me personally, and unsolicited, at their works, Norwich, by one in authority, and whose position enabled him to be familiar with the conditions existing at that period, now some thirteen years ago.

I am very pleased to hear that circumstances have improved, and wait with pleasure the promised particulars.

Yours, &c.,

F. A. LEWIS.

Those promised particulars have not reached Melbourne yet, so far as I am aware.

Senator Sir FREDERICK SARGOOD.—Oh, yes! these are they. I have given a copy of this letter to Mr. Lewis.

Senator STYLES.—Does that letter come through Messrs. James Service and Co.?

Senator Sir FREDERICK SARGOOD.—No; it has come direct to me.

Senator STYLES.—I understand that the promised particulars have not been sent to Messrs. Colman's agents?

Senator Sir FREDERICK SARGOOD.—Yes; a copy of this letter was sent to Messrs. James Service and Co.

Senator STYLES.—Messrs. Service's letter refers to particulars which were to be sent to them.

Senator Sir FREDERICK SARGOOD.—These are they.

Senator STYLES.—But I understand that the letter which Senator Sargood read comes from his partner.

Senator Sir FREDERICK SARGOOD.—Yes; and Messrs. Colman have sent a copy of this letter to Messrs. Service and Co.

Senator STYLES.—My point is, that Mr. Lewis has not yet been supplied with the particulars promised by Messrs. Service and Co., which they said they were getting out.

Senator Sir FREDERICK SARGOOD.—Those particulars are just the same as I have given, and, as I have mentioned, Mr. Lewis has had a copy.

Senator STYLES.—And he has not appeared in print on the subject since?

Senator Sir FREDERICK SARGOOD.—Exactly.

Senator STYLES.—If that be so, and if Mr. Lewis is satisfied that this statement came from Messrs. Colman—and I do not doubt it—and has not seen fit to reply through the press, I shall consider that he regards himself as being in fault. If he regards a copy of that letter as being a statement of the particulars promised to be furnished to Messrs. Service and Co. by Messrs. Colman, and he has not seen fit to reply, the fault is his. I thank Senator Sargood for the nice way in which he put the matter, and I repeat that I read the letter—as any honorable senator might have done in my place—because I happened to be the first speaker who had an opportunity of quoting it. I may also remark that in the course of the same debate Senator Higgs said—

I think we have every reason to believe the statements made in the letter quoted by Senator Styles.

If Senator Higgs believed that he would have read the letter if I had not done so. I will now leave the matter for Mr. Lewis to make a reply, seeing that he furnished every member of this Chamber with a copy of the letter which I quoted. In fact, it was a circular letter.

Senator Sir JOSIAH SYMON.—I did not receive a copy.

Senator STYLES.—I am aware that Senator Sargood said that he had received a copy of the letter, and had sent it home to his house in order to ascertain the facts.

Senator PULSFORD (New South Wales).—Senator O'Connor has asked the committee not to insist upon its request in regard to this item on account of the revenue. It is upon the ground of revenue itself that the committee a month or two ago agreed to the request of the House of Representatives by a very substantial majority. Senator O'Connor has correctly stated the difference between the duty on uncleaned rice and that on cleaned rice. The actual difference is really 2s. But the position is this. Up to the present time there has been no rice-cleaning anywhere in Australia, except in Victoria, and with the exception of this State, most of the rice that has been imported into Australia has been cleaned. On that rice the Customs have been able to collect a duty of 6s. per cental, which revenue has gone to the service of

the public. If this system of cleaning in bond is to be encouraged in the way suggested, away goes a considerable amount of that revenue. It has been shown by a good deal of evidence, in the most conclusive manner, that the cost of cleaning rice is comparatively small. I think it has been accepted as being about 15s. a ton. The consumption of rice in Australia is at least 15,000 tons or more. Are we to give away £30,000 or £40,000 a year of public revenue in order that a few thousand pounds may be spent in cleaning rice? According to the Tariff proposals before us the cleaners of rice are to be allowed an enormous payment. I do not know whether honorable senators quite grasp how serious the position is. It is worth knowing that in the other House the request made by the Senate was very nearly being agreed to. The majority by which the Government succeeded in inducing the House to refuse our request was only three. So that it is quite clear that the House of Representatives as a whole is very much impressed with the solidity of the request which has been made by the Senate, and I entertain very little doubt that they will very soon see their way clear to accept the request which we make. As it is, I think the proposal of the Government is one of the grossest pieces of—I will not say corruption, but of outrageous waste of the money of the public which I have ever known. In these times, when all the Australian Parliaments are being called upon to exercise economy, surely we cannot accept a piece of extravagance like this. It is practically the same as if the money were taken out of the pockets of the people and deliberately thrown away, save that money will be taken out of the pockets of the people as a whole and retained by certain persons. Surely we cannot allow the people to be robbed in this extravagant fashion. I hope the committee will unhesitatingly affirm this request.

Senator CLEMONS (Tasmania).—I wish to point out to the Vice-President of the Executive Council that he has fallen into exactly the same error into which he fell when we were discussing this item on a previous occasion, by assuming that if the duty were increased we should obtain more revenue. Nothing is more contrary to the fact. As a matter of fact, the revenue that every State—even the State in which rice cleaning is carried on—will receive must

depend entirely upon the duty which is imposed on uncleaned rice unless, of course, any State imports a large quantity of cleaned rice.

Senator O'CONNOR.—The honorable and learned senator knows that the great bulk of the rice used in Queensland by Orientals is imported cleaned. They will not have the rice which is cleaned here.

Senator CLEMONS.—I did not know it before, but I know what goes on in the more normal States.

Senator Sir JOSIAH SYMON.—It was shown on a former occasion by Senator Pearce that there is more rice consumed in Western Australia than in Queensland, where there is a great influx of Chinese.

Senator O'CONNOR.—The revenue returns absolutely contradict that assertion.

Senator CLEMONS.—I remember that Senator O'Connor's argument was entirely exploded by Senator Pearce. I will say that the honorable and learned senator has properly accounted for Queensland, but apart from that it is apparent that if we allow a large margin between the duty on uncleaned rice, and that on cleaned rice, the revenue will depend undoubtedly upon the quantity of uncleaned rice that is imported. If we fix a heavy duty on cleaned rice, nearly all the rice consumed in the Commonwealth will be cleaned locally, and we shall have to depend entirely for our revenue on the duty on uncleaned rice. If, on the other hand, as honorable senators on this side suggest, the margin is made a reasonable one—if we say that a margin of 1s. 8d. per cental is abundant to the man who wants to clean rice here—we may hope that, without doing much harm to the great local industry of rice cleaning, some of the States that want revenue will obtain it. It is the bounden duty of every honorable senator who wishes, as the Vice-President of the Executive Council apparently does, to see revenue obtained, to vote for a duty of 5s. per cental in accordance with our request rather than for a duty of 6s. per cental as fixed in the Tariff. When we went into this question on a former occasion a great many of us thought that the demand for revenue was a fair one, and an attempt was made by Senator Higgs to increase the duty on uncleaned rice. That proposal met with opposition from several honorable senators, and we decided ultimately, by a majority of 6, that the House of Representatives should be requested

to fix the duty on cleaned rice at 5s. per cental. I venture to say, without hesitation, that what induced most honorable senators to vote for that rate of duty was the consideration of revenue. Yet we hear the Vice-President of the Executive Council falling into the same old trap, and saying that if we want more revenue we should fix the duty at 6s. I do not believe there is an honorable senator who does not recognise the fact that if we want more revenue we should adhere to our request. A margin of 1s. 8d. is abundant, the demand for revenue is fair, and a duty of 5s. is very necessary.

Senator O'CONNOR.—I should like to correct the misapprehension under which Senator Clemons seems to labour as to the amount of protection afforded the rice cleaning industry. The duty on uncleaned rice is 3s. 4d. a cental. It was admitted on a former occasion, that allowance has to be made for 17 per cent. of dirt, and that brings up the duty on the actual quantity of rice to be cleaned to something like 4s; that is to say, we have to add 8d. to the duty of 3s. 4d., before we get to the actual rice to be cleaned. Therefore, the protection would not be 1s. 8d., as the honorable and learned senator has said, but 1s.

Senator CLEMONS. — The protection is really 1s. 8d. per cental. The loss is made in cleaning the rice.

Senator O'CONNOR.—We have to allow 8d. per cental for the dirt, before we can make our comparisons. Having added the 8d., we get the duty on uncleaned rice at 4s. per cental, so that the difference between us is whether the margin should be 2s. or 1s.

Senator Sir FREDERICK SARGOOD.—That is so far as the cleaning is concerned, and excepting of course the bye products.

Senator O'CONNOR.—I have heard nothing to show that the duty which we claim to be necessary is not the lowest which should be given. I appeal to those honorable senators who wish to see the revenue of the different States maintained to have some regard to the case of Queensland. There has been no attempt to answer what I said in regard to it. Senator Clemons says that with this duty the rice which is consumed here will be cleaned locally. Assuming that that may be so to a certain extent, so far as the other States are concerned, we know by experience that it will not be the case in regard to the States in which a large number

of Orientals have to be fed, because they obtain their rice from their own country, and will not have any other.

Senator PULSFORD.—That is only a small matter.

Senator O'CONNOR.—Will the honorable senator try to realize what the difference is between the importations into Queensland and the other States? In Queensland the revenue obtained from this source amounted to £16,126, as against £6,020 in New South Wales. Considering the disparity in the population, that shows an enormous difference in the consumption of rice in the two States. A large number of the Orientals in Queensland obtain their food from the Chinese and Japanese firms who import their rice, cleaned, from their own countries. That is why there is such a large quantity of cleaned rice imported into Queensland as compared with that imported into the other States. I say that honorable senators opposite are proposing to deliberately throw away £5,400 of Queensland's revenue, to throw away the revenue of the other States, and to diminish the protection proposed to be given to the rice cleaner. In addition to that they are taking up a position which will make it more difficult to agree with another place. There is no justification for such an attitude, and I hope the committee will see the reasonableness of coming to the conclusion that this request should not be pressed.

Senator Sir JOSIAH SYMON (South Australia).—It is certainly refreshing to hear once more the old, fallacious arguments which were dished up for us upon a previous occasion. They are extremely threadbare, and daylight is easily seen through them. The history of the position is this: Under the Tariff as it came to us uncleaned rice was subject to a duty of 3s. 4d. per cental, while the duty on cleaned rice was 6s. per cental. That gave a difference of 2s. 8d. per cental in favour of the gentlemen employing two or three boys in rice-cleaning. If honorable senators will casually glance at the *Hansard* report of the former debate, which was a very long one, they will find that it was admitted on all hands that 8d. was a very fair amount to allow in respect of the waste before any profit can go into the pockets of the cleaner from this difference in duties. I regarded it as extravagant, but we were willing to accept it as a very fair compromise of what we

might say was the waste. In Victoria, the duties were 4s. and 6s. The duty of 3s. 4d. per cental upon the uncleaned article was below the old Victorian rate, but the duty on cleaned rice was left as it was in Victoria. That was the position when, after I had withdrawn my amendment to reduce the duty of 6s. to 5s. per cental, so as to aid the revenue, Senator Higgs moved to increase the duty upon the uncleaned article to 5s. 3d. per cental, for the sake of giving additional protection to the grower of rice in Queensland. That proposal was negatived, and then my proposition that the House of Representatives should be requested to reduce the duty on cleaned rice to 5s. per cental was carried by a majority of six. The records of another place show that our proposal was rejected by the narrow majority of three, which was only half that which we had in favour of reducing the duty to 5s. per cental. I quite agree with Senator O'Connor, that it is perfectly fair to look at the records on both sides. What is the inference to be drawn from what I have stated? It is, that whatever the records may show as to the feeling in another place when the duty of 6s. per cental was originally adopted, the House of Representatives have largely come to the opinion conveyed in our message that 5s. per cental is a very fair thing. But what is the difference? As a matter of protection to this gigantic industry of cleaning rice, the difference is only 4d. less than that given to the cleaner under the old Victorian Tariff. It must be remembered that the Victorian cleaner has now the whole of Australia to look to for compensation, whereas before he was restricted to the markets of Victoria, and possibly of free-trade New South Wales, while all the other States had barriers erected against him. Is not that a reason for thinking that the request of the Senate is a very fair one? Senator O'Connor asks what it represents. When it is put at so much a cental, and the amount is stated at 1s., it appears to be but a small sum, but it is equivalent to £1 per ton, and rice is cleaned, not by the pound weight or the cwt., but by the ton. So that after allowing 8d. per cental, irrespective of waste, we propose to give a clear protection of £1 net per ton to the gentleman who employs a few boys in the cleaning of rice. We discussed the matter before from the revenue point of view, and I fail to understand how my honorable and learned

friend can tell the committee that the request we make, if adopted, is likely to reduce the revenue. If it will not be an inducement to people to clean rice here, what sort of rice will be imported? Cleaned rice. What sort of rice pays the highest duty? Cleaned rice. It is less in quantity also, because I understand that no rebate is allowed in respect of the waste. The effect of the proposal will be that we shall have a much larger importation of the cleaned rice which pays duty at the rate of 5s. per cental, and a smaller importation of the uncleaned article paying duty at only 3s. 4d. per cental. Surely that will be for the benefit of the revenue. Honorable senators will see that the reduction of the duty from 6s. to 5s. was moved in the first instance from a revenue point of view, and at the same time with a view not to deal harshly with those engaged in this industry. We leave them the benefit of a protection of £1 net per ton, and the waste product which in the form of rice flour is of considerable market value. All these matters were gone into in the course of an exhaustive debate, with the result that from the point of view of revenue and of an adequate measure of protection, the Senate carried its request by a majority of six. I feel certain that the House of Representatives will acquiesce in the request, if by pressing it we respectfully ask them to reconsider the matter.

Senator HIGGS (Queensland).—I regret that I have to renew the appeal on behalf of Queensland. If honorable senators will refer to pages 110 and 111 of the *Queensland Statistics*, they will find that during the year 1901 there were imported into Queensland some 7,623,903 lbs. of rice, valued at £43,783, and providing a revenue from customs taxation of £28,532 12s. 1d. This rice was imported from a number of places—£474 worth from the Straits Settlement, £509 from India, £14,338 from Japan, £27,406 from China, and £1,056 from Siam. We have in Queensland certain lands which are eminently suited for the production of rice, but if honorable senators absolutely destroy our protection, farmers will give up the cultivation of the article. We had in that State a duty upon rice of no less than 8s. 4d. per cental. The protectionists and free-traders in the House of Representatives saw fit to agree to a compromise in this matter and fixed the duty at 6s. per cental. Now

honorable senators who profess to be revenue-tariffists propose that the duty should be further reduced to 5s.

Senator PULSFORD.—It is the duty upon the uncleaned rice which is the basis of protection, and not the duty upon the cleaned rice.

Senator PLAYFORD.—It would have been better to have raised the duty on uncleaned rice, but in any case Queensland would have lost revenue.

Senator HIGGS.—Senator Pulsford must have made a mistake. For the moment, the honorable senator is under the impression that rice is one of the important ingredients in the preparation of the list of edibles I mentioned some time ago as appearing prominently on banqueting *menu* cards. There may be a little rice powder used in the custards, but the plain ordinary rice rarely finds any place in company with the high-class wines, muscatels, cigars, and so forth. What we desire is to give encouragement to the farmers of the Commonwealth who cultivate rice, and we desire also to tax, so far as we can, the 80,000 or more coloured aliens, distributed throughout the Commonwealth, who pay no taxation whatever.

Senator PLAYFORD.—We had a double duty on rice in the Northern Territory in order to get at the Chinese.

Senator Sir JOSIAH SYMON.—No; but because there were so few things subject to taxation there.

Senator HIGGS.—The great importing industry represented by Senator Pulsford, with special attention to bottled beer, is not likely to be greatly advantaged by the proposed reduction in the duty. From China there comes some £27,000 worth of rice into Queensland in the year, but, as has been pointed out, that rice is brought into Queensland mainly by the Chinese importers in that State.

Senator DAWSON.—What kind of rice do they import?

Senator HIGGS.—I do not happen to be well informed upon that question, but I understand that while they import all kinds of rice they chiefly import cleaned rice. However, there is the fact that in Queensland there are some 23,000 coloured aliens, and there are some 80,000 of them in the Commonwealth as a whole, who live in the poorest possible homes. They never patronise the carpenter, and I wonder that Senator Pearce has overlooked that for the moment. They just erect four posts, and

patch them up with kerosene tins, old bags, and so forth, and they live on the poorest diet, consisting mainly of rice. If I proposed to get at these gentlemen in another way by the imposition of a poll-tax, honorable senators would not support me, but surely they will agree that the expense of the government of the Commonwealth should be to some extent borne by the coloured aliens who are within it? There is no other way of compelling them to pay towards the cost of government. If there is, I hope honorable senators will point it out. We have no other means of getting at the vast hordes of Hindoos who are making their way into Queensland now and cutting out white men at a ridiculously low rate of wages.

Senator BARRETT.—When they get a little money they clear out.

Senator HIGGS.—As the honorable senator says, when they get a little money they either go back to India or they send for some of their relations to come and assist them in the destructive work which they are carrying on. They are neither good for the Commonwealth as a Commonwealth, nor for the individual members of the community. If they would live as we try to live, and if they tried to bring up decent families and educate them, and make good citizens of them it would be all right. But they come to this country, and as a rule do not bring their wives with them, and they are a menace to our civilization. Our Immigration Restriction Act will not deal with them, because they are already here.

The ACTING CHAIRMAN.—The honorable senator can only allude to those matters by way of illustration, and I think he has proceeded far enough in that direction.

Senator HIGGS.—I confess that I have taken some time to illustrate the point, but it appeared to me to be necessary. Senator Pulsford, I know, regards the Hindoo coloured alien as his long lost brother, and is anxious to receive him with open arms.

The ACTING CHAIRMAN.—The honorable senator must see that that statement is not relevant.

Senator HIGGS.—I withdraw the statement. Senator Pulsford, with other revenue-tariffists, is very anxious that this duty should be reduced, but when an opportunity is afforded to raise revenue, the honorable senator refuses to avail himself of it. I again urge, on behalf of the Queensland

farmer, and on behalf of the Queensland Treasurer, who is very hard up for money just now, that the committee should not attempt to deprive that State of some thousands of pounds of revenue each year. Honorable senators profess to desire to be fair to each of the States, and yet they are here making another attack upon Queensland. I urge them not to create trouble over a difference between 6s. and 5s. per cental duty upon rice. The fact that the proposed duty of 6s. per cental was a compromise in the other Chamber appears to have been overlooked by those who oppose the motion submitted by Senator O'Connor. In view of the fact that it is the result of a compromise, we can have no hope that our requests will be agreed to by the other Chamber. Honorable senators, therefore, may as well cease this trifling method of procedure, and let us get on to something solid like agricultural machinery.

Question—That the request be not pressed—put. The committee divided.

Ayes	...	...	12
Noes	...	...	14
Majority	...	...	2

AYES.

Baker, Sir R. C.
Barrett, J. G.
Dawson, A.
Drake, J. G.
Glassey, T.
Keating, J. H.
McGregor, G.

O'Connor, R. E.
Playford, T.
Stewart, J. C.
Styles, J.

Teller.

O'Keefe, D. J.

NOES.

Charleston, D. M.
Clemons, J. S.
De Largie, H.
Dobson, H.
Ewing, N. K.
Gould, A. J.
Macfarlane, J.
Millen, E. D.

Neild, J. C.
Pearce, G. F.
Pulsford, E.
Sargood, Sir F. T.
Symon, Sir J. H.

Teller.

Smith, M. S. C.

PAIRS.

For.

Cameron, C. St. C.
Zeal, Sir W. A.
Downer, Sir J.
Best, R. W.

Against.

Walker, J. T.
Ferguson, J.
Harney, E. A.
Matheson, A. P.

Question so resolved in the negative.

Item 58. Apparel and attire and articles, n.e.i.:—Woollen or silk, or containing wool or silk partly or wholly made up (not being piece goods), including articles cut into shape, *ad valorem*, 25 per cent.

Senate's Request.—That the duty be reduced to 20 per cent., *ad valorem*.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

As this question was thrashed out on a previous occasion, I do not propose to do much more than to point out that a reduction of the duty to 20 per cent. will leave only a 5 per cent. margin of protection in regard to a large number of articles which are manufactured here. In view of the fact that the duty on woollen and silk material is 15 per cent., it was not intended that there should be a margin of only 5 per cent. in favour of the local manufacturer. When it is compared with the margins which have been left in other cases the disproportion becomes all the more evident. In the case of hats and caps the Senate has agreed to a duty of 25 per cent. on the manufactured article, and a duty of 15 per cent. on the material. In the case of boots and shoes it has agreed to a duty of 30 per cent. on the manufactured article, and a duty of 15 per cent. on the material. In the case of stationery it has agreed to a duty of 25 per cent. on the manufactured article, and a duty of 15 per cent. on the paper. In the case of jewellery it has agreed to a duty of 25 per cent. on the finished product, and a duty of 15 per cent. on the partly-manufactured article. In those four cases, not to mention others, there is a margin of from 10 to 15 per cent. Yet in the case of an industry which employs a large number of persons the margin has been cut down to 5 per cent. I shall not go into the question of the number of the employes, or any details of that kind, but it is well known that the manufacture of apparel involves, not only the employment of a very large number of persons, but also the use of material grown by our own people. Whether it is considered from the point of view of the natural products of the soil, which are worked up by our own people into clothes for local consumption, or whether regard is only had to the working up of imported material, it is equally important that the protection should be something real. It is utterly fallacious and misleading for honorable senators to tell the people of the Commonwealth that they are adhering to their requests because they wish to continue the protection to existing industries, and at the same time to cut it down to such an amount that no advantage is given. These arguments must occur to anybody who considers

the matter merely on its merits. We have reached a position in which very large interests are involved. We have the twice-expressed opinion of the other House that the duty of 25 per cent. should be adhered to. We have to look to the future. We have to see what chances there are of coming to a settlement. I ask honorable senators whether, considering the margin of protection which is left, there is the least chance of their request being finally agreed to. The more easily they come to an agreement now, the more speedily will Australia be in the position of having a settled fiscal policy, and not until then. I hope that honorable senators will see the necessity of looking at the matter from a point of view different from their previous one. If the new element is not considered, I hope that the responsibility for the difficulties, and the consequences to Australia and to the mercantile community, will rest upon the proper shoulders.

Senator Sir JOSIAH SYMON (South Australia).—I hope that the committee will adhere to its request. I feel, with Senator O'Connor, that the whole matter was very exhaustively gone into from every point of view on a previous occasion, and no speech was then delivered which was more packed with facts, figures, and arguments than was that delivered by Senator Pearce in answering every point urged by the honorable and learned senator, from the position of the manufacturer, the number of people employed, and the effect of the reduction of the duty to 20 per cent. In order to verify my memory, I have referred to the speech of Senator Pearce, who said—

That 5 per cent. is ample is shown by the report of the Tariff Board of Victoria, by the evidence of the manufacturers, and by the experience of Western Australia, where, with the same protection, we have as many per head of the population engaged in this industry as there are in the Eastern States.

My honorable friend's speech absolutely pulverized the arguments against the maintenance of this high rate of duty on the common articles, which are generally known as slop clothing, and which are more largely used by the poorer people than by any other section. As he dealt so exhaustively and conclusively with that subject, I do not propose to say another word about it. But I propose to say a few words as to the position which Senator O'Connor has suggested in regard to the future. There are no persons, I am sure, who are more deeply

sensible than are my honorable friends on this side and myself of the desirability of bringing this matter to a settlement at the earliest possible moment.

Senator O'KEEFE.—You are not going the right way to work.

Senator Sir JOSIAH SYMON.—Does the honorable senator think that the right way for us to go to work is to lie down and be walked upon—to abandon our opinions? Is that the function of an honorable senator who has conscientious opinions?

Senator O'KEEFE.—No.

Senator Sir JOSIAH SYMON.—My honorable friend voted with this side in regard to wheat. Why did he not go back on his old opinion, and vote for the motion of Senator O'Connor?

Senator O'KEEFE.—I had better reasons for opposing that motion than you have for opposing this one.

Senator Sir JOSIAH SYMON.—The only reason I know of is that as the honorable senator had moved that wheat should be free, he did not like to go back on his former vote. Why did he not go back on his former vote in order to conciliate the other House? I am perfectly willing to conciliate the other House, but I have a greater respect for that House than to think that by an unmanly abandonment of our opinions on this side we are likely to make them think better of us. I have a higher respect for them than to imagine that they will not be prepared when the time comes to reconsider these matters, giving the same credit to us as we give to them. I am glad to give them credit for having reconsidered these questions from their point of view fairly, and without any desire to irritate the Senate. So far as the responsibility is concerned, which Senator O'Connor rightly says must rest on some shoulders—he employed a rather menacing tone—the right shoulders to bear it are those of every man in the Senate. It is my belief that no honorable senator will hesitate for a moment to accept whatever responsibility falls to his lot from a conscientious discharge of his duties. All we have to do is to give effect to what we believe to be right in regard to these items, and, where we think our former votes were abundantly justified, to adhere to our position. If it were a mere matter of the revenue from this line, from my point of view it would not have to be considered in the least degree. If the list of those who voted for this request is

examined, it will be seen that there is no one who will be prepared to abandon the position which he then took up in regard to articles which are so much in common use. I hope that we shall look at the question from the larger point of view. But if it is taken from the revenue point of view, what was shown in the former debate? The position is unaltered. The Treasurer did not expect to collect more than half the amount of revenue which has been received. Why? When the Tariff was introduced there was an immense quantity of goods on the water for New South Wales, where no duties had existed. On their arrival, these goods were all charged at the rate of 25 per cent. It will be found that the great bulk of the revenue which was received during the past nine months was collected in that State, and not in the other States; and so the Treasurer estimated to receive between £200,000 and £250,000, although the actual collections at the rate which was derivable from the first six months' collections would have brought the amount up to £750,000. Why? Because the circumstances of New South Wales swelled the revenue up to an unusual amount, which will not be received again. So that, if we put this duty at the rate which the Senate has requested, namely, 20 per cent., we shall be benefiting the revenue, lessening the burden on the people who have to use these things, and leaving what the report read by Senator Pearce describes as an ample margin of protection, according to the finding of the board which sat in Victoria, the evidence of the manufacturers, and the experience of Western Australia. Then, let me also point out as to the second line—apparel and attire not containing wool or silk—as to which the Senate requested a reduction from 25 per cent. to 15 per cent., that I propose when we reach that to suggest a modification so as to effect a compromise, increasing 15 per cent. to 20 per cent., so as to leave the rate on the same level as that for item 58, and give the same margin of protection to the one as to the other.

Senator PULSFORD (New South Wales).—There is one remark I should like to make with regard to the menacing attitude of Senator O'Connor in reference to the position of the House of Representatives. I would point out that nearly all the majorities in the other House have been smaller than the number of Ministers who voted. Consequently the Government

have it in their own hands at any moment they choose to settle these matters with the Senate. In nearly every one of the divisions which took place in the other House, the whole of the votes of the six Ministers were recorded. Take this particular request. It was refused by a majority of five after the votes of the six Ministers had been included. Senator O'Connor was not quite correct in saying that there was only 5 per cent. protection left by these duties. It is quite true that there is only a difference of 5 between 15 and 20. But suppose you have £1,000 worth of cloth. That would be subject to a 15 per cent. duty, and would pay £165. But £1,000 worth of cloth made up into clothing will represent a great deal more in value. Say it means £1,500 worth of clothing. That amount of clothing coming in would pay the 20 per cent. on the full £1,500 worth, or a total of £330. So that the protection is really the difference between the money that is paid on the clothing and the money paid on the cloth. Consequently, instead of there being 5 per cent. protection, there would be 10 per cent. There would be still more protection if the £1,000 worth of cloth made more than £1,500 worth of clothing. In view of these facts I trust that the committee will adhere to their previous request.

Senator Sir FREDERICK SARGOOD (Victoria).—The Vice-President of the Executive Council has stated that a margin of 5 per cent. is not sufficient for this class of goods. I think I may fairly claim to know something about this branch of trade. In New Zealand the margin has been 5 per cent. for many years, and a larger proportion of apparel of all kinds is made up there in proportion to population than in Victoria. I may add, further, that the wages paid in New Zealand are better than those paid in Victoria. These are facts for which I can vouch as being absolutely correct. But there is another matter to which I should like to call attention. We have now finished the first six months under this Tariff, and, as far as concerns my own branch of commerce, I have had the results taken out. I think it may interest the committee to know what they are; I am certain that it will interest the public outside. It was stated at the time of the introduction of the Tariff, and previously, that the high Tariff of Victoria was not to be followed on the one hand, nor the low Tariff of New South

Wales on the other. The results I shall quote will be for softgoods, such as are not used by the higher classes, but by the labourer, the artisan, the clerk, the middleman, and the farmer. The result for six months, comparing the old Victorian Tariff with the new Tariff, is that, taking all these classes of goods, the increase is 6 per cent. all round. That 6 per cent. by the time the goods reach the consumer amounts to fully 10 per cent. Take, for instance, womens' dresses. The increase of duty there amounts to 15 per cent. In future, therefore, a woman will have to pay close on 22½ per cent. on everything she buys in the way of dress, or the other result will follow, namely, that the quality of the goods will have to be reduced. I could also give other particulars dealing with the same facts, but I think that what I have said is sufficient to show that there is an increase of at least 6 per cent. over the old high Victorian Tariff. That was not what any one expected would be the result of the first Federal Tariff. It was expected that there would be a Tariff lower than the old Victorian Tariff, but, of course, considerably higher than the New South Wales Tariff. Coming back again to the item before the committee, I unhesitatingly say that a margin of 5 per cent. is ample, and that there is not the slightest difficulty about conducting and increasing the manufacture of apparel from colonial piece goods with that margin. I state what has been my own experience for 30 years in New Zealand, where not only is there a larger proportion of local stuff made up according to population, but, in addition, better wages are paid.

Senator MACFARLANE (Tasmania).—I was very much surprised at the way in which the Vice-President of the Executive Council met us yesterday. He told us that we ought to be very much pleased if we got a fourth of what we had asked from the other place regarding one small item. He has talked about our responsibilities. I should like to remind him of the responsibilities we owe to the people of this Commonwealth. We, on this side of the Chamber, represent a majority of the people of the Commonwealth. I have been to the trouble of going through the votes given for honorable senators, as shown in the return placed before the House, and I find that, taking New South Wales and Victoria alone, out

of 636,000 votes polled there are some 450,000 in favour of our contentions.

Senator O'CONNOR.—On a point of order, I submit that the remarks of the honorable senator are not in order. If we are going into a discussion of this sort, and are to enter upon the consideration of which side represents Australia and which does not, there will be no end to this discussion. The remarks of the honorable senator have nothing whatever to do with the item. If we do not keep to the item under discussion, we shall never get through with our business.

Senator Sir JOSIAH SYMON.—On the point of order, I think that my honorable and learned friend is very touchy, and very narrow in the view he takes. He has referred to shifting responsibility on to the right shoulders. My honorable friend, Senator Macfarlane, is surely right in showing that that responsibility, as represented on this side of the Chamber, will be on the shoulders of the majority of the people of the Commonwealth. If the Vice-President of the Executive Council makes a charge of that kind, surely an honorable senator can reply to it.

Senator O'CONNOR.—Is the honorable and learned senator serious in that argument?

Senator Sir JOSIAH SYMON.—I do not think that my honorable and learned friend can be serious in raising such a point of order. If a question is raised as to which shoulders the responsibility rests upon, Senator Macfarlane is surely entitled to show what are the facts.

The ACTING CHAIRMAN.—It seems to me that as both sides throughout the debate have referred to the number of votes recorded in divisions in the other House, and as that has been allowed, I cannot say that Senator Macfarlane is out of order in quoting the numbers of the electors behind those majorities.

Senator MACFARLANE.—In Victoria 95,979 votes were given to what I take were the free-trade candidates.

Senator STYLES.—Give us the names.

Senator MACFARLANE.—Senator Fraser and Senator Sargood are the only two I have included.

Senator BARRETT.—Senator Fraser is not a free-trader.

Senator KEATING.—Senator Sargood is a protectionist.

Senator MACFARLANE.—I am willing to take away the 50,000 votes which were cast for Senator Fraser, and still there is over 400,000 free-trade votes in New South Wales and Victoria. These are not my own figures. At all events, I think that, out of 1,160,767 votes recorded in the Commonwealth, 657,600 were cast in favour of a low Tariff.

Senator O'KEEFE.—On what side have you put Senator Dobson?

Senator MACFARLANE.—I have taken his 1,568 primary votes as those of free-traders. I do not think it is necessary to read out all the names, for I have met all the points that required to be put. If we take away the 50,512 votes cast for Senator Fraser, we have still over 400,000 left as the total free-trade vote in New South Wales and Victoria.

Senator HIGGS (Queensland).—The observations made by Senator Macfarlane with regard to these figures, which have been taken from the free-trade organ—the *Argus*—rest upon fallacious grounds. In view of the declarations of the *Age*, it is absurd to say that Senators Fraser and Sargood are free-traders. I was not in Victoria when the federal elections took place, but I certainly understood that Senator Sargood adopted the Maitland policy.

Senator Sir FREDERICK SARGOOD.—This is not that policy.

Senator HIGGS.—The Maitland policy was revenue without destruction, but we have seen Senators Fraser and Sargood helping to destroy revenue and to destroy industries at the same time.

Senator Sir FREDERICK SARGOOD.—That is not so.

Senator HIGGS.—I am sorry that Senator Macfarlane did not produce extracts from Senator Sargood's election speeches in which he said he was going to support Mr. Barton.

The ACTING CHAIRMAN.—Does the honorable senator think that this is relevant?

Senator HIGGS.—After Senator Macfarlane's speech, almost anything might be claimed to be in order.

The ACTING CHAIRMAN.—I am not prepared to allow a discussion of the policy of honorable senators individually.

Senator HIGGS.—These figures have been produced by Senator Macfarlane with a view of influencing our votes, and I am pointing out that it is a mistake to include

Senator Sargood and Senator Fraser among the list of free-traders.

The ACTING CHAIRMAN.—I have allowed the honorable senator to point that out, but I cannot allow him to discuss the policy of honorable senators individually.

Senator HIGGS.—The honorable senator has even classed you, sir, as a free-trader, although I understand that you were supported by two protectionist newspapers. Senator Sargood has certainly given us the impression by the way in which he has voted that he is a free-trader, but his votes have surely been cast under a misapprehension. Throughout the world Victoria has been looked upon as a scientific protectionist State, returning protectionist members, and who dare say that if the voters had known what these honorable senators intended to do, they would have returned them to the Senate? Every one I meet here asserts that if Senator Sargood and Senator Fraser were to seek re-election to-day they would not be returned. You have shown, Mr. Chairman, that you are a protectionist with regard to hops; Senator Symon has shown that he is a protectionist as far as wine and salt are concerned; while Senator Gould is also a protectionist so far as the Tariff relates to tobacco. Senator Macfarlane's remarks have been based upon calculations published in the *Argus*, which are not altogether well founded. From a cursory examination of this item, I should say that Senator Symon is anxious to secure at the lowest possible rates silk shirts, with which to protect his aristocratic health, and silk socks, with which to clothe his handsome feet. I wish to show that in pressing this request honorable senators of the opposition are not actuated by any desire to help the poor. Are we to help a man who wants to appear in the Senate as Disraeli is said to have appeared in the House of Commons, wearing a waistcoat of woollen and silk, and of fine ornamentation? If that is Senator Symon's desire, I think he should be prepared to pay a duty of 25 per cent.

Senator PULSFORD.—This is tomfoolery.

Senator HIGGS.—We know that Senator Pulsford wants his black silk ties as cheaply as possible. No one would ever accuse him of a desire to put on a vest of the many coloured textures of Joseph's coat, although I should recommend the honorable senator to do so. If he did he would carry

a great deal more influence in the Senate. Surely the garments of woollen and silk which come within this item should bear a duty? There is no pioneer prospector in Western Australia—and I appeal to Senator Ewing to support me—who wants a silk shirt. The arguments used in support of cheap wheat, and cheap tinned vegetables and preserved meats will not apply in this case. Honorable senators must see that the poorer classes of the community will have to bear an increased burden if such duties as these are lowered. If lines such as rice are reduced so that the alien may escape taxation, the poorer classes will have to pay a little more towards the cost of government. Every penny that we take off Senator Symon's silk garments, we place upon the poorer classes of tweeds which are used by working men and the ordinary materials used by ordinary housewives.

Senator EWING.—We do not place it on such things. We advocate reductions.

Senator HIGGS.—The honorable senator's party goes for reductions which will throw about half of the working men of the Commonwealth out of employment, and leave them to compete with the other half. I find that there was originally a very strong fight in another place to obtain a reduction of this duty, but the House of Representatives as a whole took a more statesmanlike view of the necessities of the Government and the capacity of the people to bear taxation. By a considerable majority they very wisely decided that the duty should be 25 per cent., and by a considerable majority they also respectfully declined to agree to our request. No honorable senator should be anxious to create trouble between the two Houses. I am sure that those of us who were present while members of the House of Representatives were discussing our requests must have been struck with the sincere and respectful manner with which they considered our proposals. Although, as Senator Sargood has pointed out, the majority was only 22 to 17, those figures do not comprise the number of members of the House of Representatives who actually took part in the vote, because there were very many pairs. When we come to consider the votes that have been recorded, we must remember that this is not the first consideration of the subject. This decision has been arrived at after several months' consideration of the schedule in the first place, and after several

hours' earnest discussion of our request in the second. So that honorable senators cannot expect to see the same majority. The proposal made by Senator Symon represents only a difference of 1s. in the £1 as compared with that submitted by the Government. Will any one believe that a citizen of the Commonwealth, like Sir Julian Salomons, for instance, who is the senior barrister in New South Wales, and has an income of about £3,000 a year, will not be able to pay the extra shilling which the acceptance of the Government proposal will require him to pay when he goes into Farmer and Co's. shop to purchase a garment which ordinarily will cost him about 10s.? To bring the matter more clearly home to honorable senators, I shall take the case of Senator Ewing. Would any one say that the honorable and learned senator, who is a kind of Beau Brummel, and indulges in very correct attire, should not be asked to pay the extra cost of these articles if we agree to the proposed duty of 25 per cent.? I have heard no argument to recommend the course proposed by Senator Symon. No one will be benefited by it but those who are doing very well in the Commonwealth at the present time. Out of the 4,000,000 souls in the Commonwealth, I suppose that not more than 100,000 use these silk garments. Let us consider the case of the men who are engaged in the mining industry, and I ask honorable senators, is there one who will benefit by this reduction? Take the case of the shearers and labourers on the stations, compositors engaged in the printing-offices of the city, carpenters, stonemasons, bricklayers, and others, and is there a single man engaged in any of these various trades who will be benefited by the reduction of this duty? The only people who will be benefited will be those who are well able to pay, and honorable senators are annoyed that I should continue in this strain only because they are anxious to protect a class. I say they are wrong. We ought to do justice to the whole community, and endeavour to frame a Tariff which will press as lightly as possible upon those who are least able to pay taxation.

Question — That the request be not pressed—put. The committee divided.

Ayes	...	...	...	12
Noes	...	...	...	15
				—
Majority	...	...	...	3

Senator Higgs.

AYES.

Barrett, J. G.
De Largie, H.
Drake, J. G.
Glassey, T.
Higgs, W. G.
McGregor, G.
O'Connor, R. E.

O'Keefe, D. J.
Playford, T.
Stewart, J. C.
Styles, J.

Teller.

Keating, J. H.

NOES.

Baker, Sir R. C.
Charleston, D. M.
Clemons, J. S.
Dawson, A.
Dobson, H.
Ewing, N. K.
Gould, A. J.
Macfarlane, J.

Millen, E. D.
Neild, J. C.
Pulsford, E.
Sargood, Sir F. T.
Smith, M. S. C.
Symon, Sir J. H.

Teller.

Pearce, G. F.

PAIRS.

For.

Cameron, C. St. C.
Zeal, Sir W. A.
Downer, Sir J. W.
Best, R. W.

Against.

Walker, J. T.
Ferguson, J.
Harney, E. A.
Matheson, A. P.

Question so resolved in the negative.

Item 58. Apparel and attire, and articles n.e.i. —not containing wool or silk, partly or wholly made up (not being piece goods), including articles cut into shape and dressed feathers, ad valorem, 25 per cent.

Senate's Request.—That the duty be reduced to 15 per cent.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

The first difficulty in the way of carrying out this suggestion is that it will bring about an almost insurmountable difficulty in administration. I think that was admitted, because it was agreed that in every case we should have to inquire whether an article did or did not contain wool or silk. In addition there is the further objection that the reduction of the duty will give no margin of protection in respect of a large class of articles made from material which does not contain wool or silk, and which is dutiable at 15 per cent. I need not refer to all these articles. It is sufficient to refer to a few, such as coatings, vestings, trouserings, not being of wool or silk, flannelettes, velvets, velveteens, plushes, and other materials of that kind. In the case of such materials there will be no protection given to locally made-up articles, because the duty of 15 per cent. upon the imported made-up article is the same as the duty upon the raw material. I understand that Senator Symon is about to make some suggestion to alter that, and I shall have to say something upon the subject when the

honorable and learned senator submits his motion. I can only say at present that whatever the modification proposed may be, if it falls short of the 25 per cent. duty it will be quite insufficient for the purpose for which this duty is proposed.

Senator Sir JOSIAH SYMON (South Australia).—I do not wish to deal with the subject at large, but I recognise that the rate of 15 per cent. which is mentioned in our request introduces difficulties of administration. It has been indicated in what way it happens. Of course nobody desires to perpetuate a source of irritation. The recent division leaves the duty on apparel, attire, and articles, whether woollen or silk, or containing wool or silk, at 20 per cent. Our request was that the duty on apparel, attire, and articles not containing wool or silk should be reduced from 25 per cent. to 15 per cent.; but because of the difficulties of administration which have been mentioned, I invite the committee to request that the two lines shall be subjected to the same rate of duty, namely, 20 per cent. In accordance with the suggestion which was made yesterday by the President, and concurred in by the Senate, I move—

That all the words after the word “be” be omitted, with a view to insert the following words:—“modified, by requesting the House of Representatives to amend the item by making the duty 20 per cent.”

Senator O’CONNOR.—I doubt very much whether there is any power in the Senate to make any such request. I do not in any way assent to the right of my honorable and learned friend to move this amendment, but there is no necessity to consider that point, except merely to state what the view of the Government is. On its merits, the proposal is of no value, and for exactly the same reasons which make the reduction of the duty on the other item objectionable, the reduction of the duty on this item is objectionable.

Senator Sir FREDERICK SARGOOD.—It is your own original proposal.

Senator O’CONNOR.—Of course it is the original proposal, but does not the honorable senator know that a great many alterations have been made in the Tariff since it was introduced, and that the whole relation of the piece goods to the manufactured articles has been changed? It is absurd to tell me that, because originally the duty on one of these lines was proposed at a particular rate, notwithstanding all the changes

which have been made it is to be adhered to. Taking all those materials upon which a duty of 15 per cent. was proposed, I assert that a duty of 20 per cent. is not sufficient. I do not wish to repeat the arguments which have been used. I shall content myself with saying that the amendment, although it might make some difference in regard to administration, supposing it were made, does not remove any of the difficulties or objections which I before urged in regard to the small margin between the duty on the imported material and the duty on the imported made-up article.

Senator Sir JOSIAH SYMON (South Australia).—I think that Senator O’Connor has really overlooked the situation. As the Tariff was brought down, apparel, attire, and articles not containing wool or silk, woollen goods, and coatings, vestings, and trouserings were all dutiable at 20 per cent., so that there was no margin at all. I should have thought that my amendment, assuming that we have the power to make this modification, would have been welcomed, because it would get rid of the difficulties of administration. It is a fortunate thing if we have the power to make the modification, because it is one step in the direction of arriving at that settlement, which Senator O’Connor has told us several times this afternoon we have to face in the near future. I hope that the amendment will be agreed to.

Question—That the words proposed to be omitted stand part of the motion—put. The committee divided.

Ayes	...	...	...	10
Noes	...	...	...	17
Majority				7

AYES.

Barrett, J. G.	O’Connor, R. E.
Drake, J. G.	Playford, T.
Glassey, T.	Styles, J.
Higgs, W. G.	
Keating, J. H.	<i>Teller.</i>
McGregor, G.	O’Keefe, D. J.

NOES.

Baker, Sir R. C.	Neild, J. C.
Charleston, D. M.	Pearce, G. F.
Clemons, J. S.	Pulsford, E.
Dawson, A.	Sargood, Sir F. T.
De Largie, H.	Smith, M. S. C.
Dobson, H.	Stewart, J. C.
Gould, A. J.	Symon, Sir J. H.
Macfarlane, J.	<i>Teller.</i>
Millen, E. D.	Ewing, N. K.

PAIRS.	
For.	Against.
Zeal, Sir W. A.	Ferguson, J.
Cameron, C. St. C.	Walker, J. T.
Downer, Sir J. W.	Harney, E. A.
Best, R. W.	Matheson, A. P.

Question so resolved in the negative.

Question—That the words proposed to be inserted be so inserted—put. The committee divided.

Ayes ...	... 17
Noes ...	... 10

Majority ... 7

AYES.	
Baker, Sir R. C.	Neild, J. C.
Charleston, D. M.	Pearce, G. F.
Clemons, J. S.	Pulsford, E.
Dawson, A.	Sargood, Sir F. T.
De Largie, H.	Smith, M. S. C.
Dobson, H.	Stewart, J. C.
Gould, A. J.	Symon, Sir J. H.
Macfarlane, J.	Teller.
Millen, E. D.	Ewing, N. K.

NOES.	
Barrett, J. G.	O'Keefe, D. J.
Drake, J. G.	Playford, T.
Glassey, T.	Styles, J.
Higgs, W. G.	Teller.
McGregor, G.	Keating, J. H.
O'Connor, R. E.	

PAIRS.	
For.	Against.
Ferguson, J.	Zeal, Sir W. A.
Walker, J. T.	Cameron, C. St. C.
Harney, E. A.	Downer, Sir J. W.
Matheson, A. P.	Best, R. W.

Question so resolved in the affirmative.

Motion, as amended, agreed to.

Progress reported.

ROYAL COMMISSIONS BILL.

Bill received from the House of Representatives, and (on motion by Senator O'CONNOR) read a first time.

Senate adjourned at 10.4 p.m.

House of Representatives.

Wednesday, 27 August, 1902.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

ADJOURNMENT.

CUSTOMS ADMINISTRATION.

Sir MALCOLM McE CHARN (Melbourne).—I desire to move the adjournment of the House to discuss a definite

matter of urgent public importance, namely, "the administration of the Customs Act."

Five honorable members having risen in their places,

Question proposed.

Sir MALCOLM McEACHARN. — I was under the impression that the questions of which I have given notice would have been answered before I was called upon to move the adjournment of the House.

Mr. KINGSTON.—As a matter of convenience, I shall be glad to answer the questions now.

Mr. SPEAKER.—I should be happy to facilitate the business of the House, but I am afraid that I could not permit that to be done, because it would be improper to anticipate answers which should be given at a later period. Perhaps, however, the Minister for Trade and Customs could suggest some way in which the desired end might be attained.

Mr. KINGSTON (South Australia—Minister for Trade and Customs).—With the permission of the House, and believing that certain matters are of interest, I should like to make a statement which, although it will not be put in the form of an answer to a question, will at the same time convey information to honorable members. In the first place, I may say that it is not known that any such standard for tea as that prescribed by the Customs Act is adopted by any other Customs authority in any part of the British Empire or in America. It is, however, the standard which has been in force in Queensland for years, and it is also the standard which was recommended last September by the analysts of all the States, and by Mr. Hake, for adoption by the Federal Government. It is also the standard recommended by the Society of Public Analysts of Great Britain, which includes the analysts appointed under the health laws. In one or two details the standard suggested by the public analysts in New South Wales and Tasmania was more severe than that adopted. I received a protest, dated 30th January last, from persons engaged in the tea trade in Victoria, against the adoption of an artificial standard for tea, based upon a chemical analysis. This led to an inquiry, which disclosed what appeared to be a necessity for further action in regard to tea which had been imported. No formal reply was sent to that protest, but the substance of what was being done was mentioned to the head of one of the

subscribing firms. Tea has been stopped at various times as being prohibited. Various requests to re-ship were received, but were not acknowledged, pending inquiry, until 4th April, when the matter was referred to the Crown law officers. Summonses have been taken out against certain firms in connexion with tea stopped in January last. The quantities and values of these parcels were probably as has been represented, viz., (a) six half-chests, three chests; (b) ten half-chests; (c) seventeen half-chests, five chests; (d) two half-chests; (e) 42 half-chests; (f) three half-chests; (g) eleven half-chests; and the value would probably be £150, or £200. No doubt a number of the firms who have been proceeded against import tea in very large quantities. I consider that a reasonable time, as required by the Customs Act, was allowed for communicating the tea standard to shippers in India. Upon the question whether we should withdraw the prosecutions instituted, and allow the tea to be re-shipped, we consider that matters of this kind generally require investigation by the courts, and we shall give no promise whatever.

Sir WILLIAM McMILLAN.—What time was allowed for notifying shippers of tea in India and the East?

Mr. KINGSTON.—One month from the date on which the Act came into operation.

Sir MALCOLM McEACHARN.—It is with great regret that I feel it my duty to move the adjournment, in order to express my dissatisfaction at the action of the Minister for Trade and Customs in regard to the particular cases which have been referred to, and generally in the administration of the Customs Act. I quite recognise the difficulties with which the Minister has had to contend in bringing about a uniformity of customs administration in the six States. I also appreciate the fact that the Minister has been closely engaged in piloting the Tariff through the House, and that Parliament has been in continuous session since May, 1901. Those who are interested in the Customs Act are by no means dissatisfied with the Act itself, and I am not complaining of the stringency of its provisions, but my remarks are entirely directed against the methods of administration. The Minister, with every desire to discharge what is really a giant task, has, to my mind, proceeded upon lines that have proved

harassing to merchants, and which cannot possibly assist him in bringing about a satisfactory state of affairs so far as the revenue is concerned. Furthermore, his treatment of the officers of his department has been harassing in the extreme. There is a general feeling of discontent among the members of the staff, and there is certainly the very strongest possible feeling of irritation amongst those outside the department who are interested in customs work. The greatest difficulties are experienced by merchants who transact business with other States. The regulations with reference to entries, and the particulars which have to be supplied with regard to goods which have to be sent from State to State, involve the greatest trouble and inconvenience. I have here a letter from a gentleman who expresses a view which is shared very generally in mercantile circles. He says—

The difficulties in supplying particulars to satisfy the Customs are so great in the Inter-State trade that I have been compelled to notify Tasmanian clients that I must refuse their orders until there is some alteration in the present system of export Inter-State entries. I trust a remedy will come soon.

Mr. KINGSTON.—Does not the honorable member think it would be fairer to confine the debate to the matter referred to in the questions of which he has given notice? How is it possible for me upon a motion of adjournment to discuss the various details of administration in my department?

Sir MALCOLM McEACHARN.—I do not propose to deal with more than one or two cases beyond those mentioned in the questions I had placed on the notice-paper. At the same time I did not undertake to limit myself to the matters which are before the House. In the cases referred to in the questions on the notice-paper, I shall be able to show that the Minister did not act even in accordance with the law. There are hundreds and hundreds of cases which might be referred to by myself or by other honorable members, who have been the recipients of numberless complaints. It could be shown that it is impossible to obtain replies to letters addressed to the Customs authorities, and that the state of affairs in the department must be utterly unsatisfactory. If, however, the Minister is not prepared to deal with other matters than those mentioned in my questions, I do not wish to take any unfair advantage of him by extending the scope of my remarks.

I find that in my absence from the Commonwealth the honorable member for Wentworth raised the question of the administration of the Customs Act. He used very forcible language, and it was hoped by the members of the commercial community that results more favorable to merchants would follow from his representations. The Minister communicated with the various chambers of commerce, and he has received replies from them, but the impression that the position of affairs would be improved very soon vanished. The Minister may say that he is bound to administer the Customs in accordance with the law, but I think we can have too much law and too little common sense. It was not intended when the Act was passed that every person who made a mistake, whether with fraudulent intent or not, should be hauled to court. I do not propose to refer to any case in which any question of fraud is involved, but to restrict my remarks to instances in which delays have occurred, and in which insufficient time has been allowed to merchants to convey the necessary advices to shippers when new regulations had been brought into force. The Minister will be upheld by honorable members in prosecuting all persons who may reasonably be suspected of fraudulent intent, but some leniency should be shown in cases where simple errors are made. I think I shall be able to show that the Minister himself did not contemplate that prosecutions should take place in all cases where errors were committed. The Tariff has not yet been adopted by Parliament, and many changes have been made during its discussion. It is only right, therefore, that merchants should be allowed to correct errors in cases where no fraud could possibly be suggested. In connexion with the Customs staff, I am informed that that tried and trusted officer, the Comptroller-General, has been placed in a most undignified position. Notwithstanding all his experience, he has had a minute sent to him directing him not to deal with any case involving a larger sum than £1.

Mr. KINGSTON.—Rubbish!

Sir MALCOLM McEACHARN.—I am very glad to hear that that is not correct. At any rate I am correct in stating that the powers of the officials generally have been curtailed to the extent that the Minister insists upon every matter even of the slightest detail being brought before him.

Under such circumstances, we cannot possibly expect that business will proceed as it would if satisfaction existed amongst the officers of the department. As evidencing the fact that there is a good deal of dissatisfaction amongst the officers, I desire to quote from a speech by the honorable member for Bland, which is reported in *Hansard* of 3rd July last.

Mr. SPEAKER.—The honorable member cannot quote from the *Hansard* report of the current session.

Sir MALCOLM McEACHARN.—The substance of the remarks of the honorable member for Bland is that it was about time that the Customs officers organized a union and came out upon strike. He said that the Minister was treating the officers in the Sydney Custom-house in an absolutely outrageous fashion. I can also cite one instance in which I personally brought under the notice of the Minister the fact that a firm with which I am connected, and for which some eighteen or twenty bonds have to be signed in various parts of the Commonwealth, asked that one bond should be substituted. The Minister consulted the Act and thought he would be able to arrange that one bond should suffice for each State. Surely that is a matter which he could have settled without any difficulty or delay. Yet three or four weeks have now elapsed without any definite reply to the request being forthcoming. Instead of deciding questions of this sort himself, I complain that the right honorable gentleman considers it necessary to refer them to the Crown Solicitor. Indeed, every matter apparently goes before that officer. I can also quote another instance in which a merchant wished to pass a sight entry, because his invoices were not to hand, but the Minister evidently had no power to deal even with that trivial matter.

Mr. KINGSTON.—The honorable member has got hold of some one who has been "stuffing" him.

Sir MALCOLM McEACHARN.—I do not think so. The Minister is like a general who has to face a large engagement, and who, in the midst of the fight, wishes to lead every regiment into action and at the same time to attend to the canteen. I have in my possession numerous letters testifying to the delay which has occurred in replying to correspondence.

These show that sometimes letters remain unanswered for several months. I am sure that the Minister will admit that in all the interviews which I have had with him, I have not shown the slightest desire to hamper him in any way. Whenever I have approached him it has been in the most friendly spirit. In connexion with the prosecution of tea merchants, the small quantities upon which the prosecutions were based—one being as low as two half chests—are worthy of notice. I would further point out that the shipments were made between the 4th November and the 8th December, and none of them arrived here later than 27th December. Some of the tea was condemned on the 31st December, and the balance in January. In some instances, letters were written during January, to which no replies were received until the summonses had been issued. Is that a fair way in which to treat reputable firms who are so largely engaged in this business? Again, a protest was entered against the standard prescribed, but I am informed that no attention was paid to it. At any rate no formal acknowledgment was forthcoming, and no intimation was given that any satisfaction would result in that connexion. But the main point which I desire to make is that a reasonable time, as required by the Act, was not allowed merchants to convey notice of the contents of the regulations to the shippers of tea in distant parts. In this connexion it is necessary for honorable members to recollect the dates. On the 11th October, the regulations were laid upon the table. They were to come into operation upon the 1st November. The first mail which left Melbourne after the 11th October was despatched on the 16th October. The earliest date at which that mail could arrive in Calcutta would be the 10th November. Some of the consignments of tea which have been condemned were shipped upon the 4th November, others on the 9th November, and still others on the 18th November. I do not deny that these regulations were not forwarded to the shippers before the sale of the tea was prohibited. To that extent the merchants are to blame. But I contend that it was unreasonable to give them such a short notice. Three shipments were made on the 18th November, one upon the 30th, another on the 7th December, and still another on the 8th December.

Mr. THOMAS.—Did they ship tea which was not fit for human consumption?

Sir MALCOLM McEACHARN.—The honorable member will get his opportunity of speaking later on. Upon the 11th July the Minister stated, according to *Hansard*, page 2445, after I had pointed out the possibility of people being prosecuted without having any knowledge whatever of their responsibilities, that he quite agreed with me that it would be a mistake on the part of the collector to take any proceedings whatever in a case in which there was manifestly an error. Doubtless honorable members will recollect that when the Customs Bill was under consideration, considerable discussion took place regarding the period when the regulations should come into force. The leader of the Opposition pointed out that it was absurd that the regulations should come into operation on the day they were laid upon the table of the House. I moved an amendment providing that 21 days should elapse, on account of the large extent of territory within the Commonwealth and the time which would be occupied in communicating with Thursday Island and other parts of Australia. On that occasion the honorable member for Gippsland said it was monstrous that a person in a distant part of the continent should be liable to penalties for non-compliance with regulations having the force of law before it was possible for him to receive any intimation of their existence. He added—"Surely if we expect people to respect the law, we should make it possible for them to do so." He stated that in several instances he had voted against his better feelings, and that he objected to the action of the Minister on that particular occasion. Again, on page 2746 of *Hansard*, I find—

Mr. SPEAKER.—I must ask the honorable member not to read from *Hansard*. The standing orders prohibit it, and I cannot allow it.

Sir MALCOLM McEACHARN.—If I give the gist of the remarks, I presume I shall be in order.

Mr. SPEAKER.—If I permit the honorable member to hold *Hansard* in his hand, and to all intents and purposes to quote from it, I cannot refuse to allow any other honorable member to adopt the same course upon a future occasion, and I cannot do that.

Sir MALCOLM McEACHARN.—On the occasion in question, the Minister himself stated that he recognised the distances

with which we now had to deal, and that that matter would be taken into consideration by him. I contend that it is unjust to bring to the police court, in the arbitrary manner adopted by the Minister, merchants of high repute who imported tea which was shipped in November, when it was utterly impossible for the shippers to be aware of the existence of these regulations. The earliest date upon which the information contained in the regulations could reach the shippers of tea was the 10th November or 12th November, and the bulk of the consignments had been previously shipped. Moreover, these regulations would have to be forwarded to the tea plantations, and their contents would have to become known to tea shippers generally. I consider that I am amply justified in raising the question that they have not been given a reasonable notice. I am aware that time was extended to goods shipped up to the 4th November. But under the Victorian Customs Act the regulations were not to come into force for six months, and when the Minister himself stated that consideration would have to be given to distant territory, surely he ought not to have taken the arbitrary action of which he has been guilty. Further, it is a moot point whether the tea which has been condemned has been rightly condemned. I am under the impression that it has not. Indeed, I received an analysis to-day, and another yesterday, showing that whereas the standard requires that the total aqueous tea extract should be 30 per cent., it actually ranged up to 50 per cent. In one case the total ash is within the limit fixed by the standard, and in the other case it is 8.73 as against 8; and the certificate states that the tea is free from adulteration and really good. These facts will of course be elicited before the court, but I mention them now because I feel that, before placing these merchants in such an invidious position, the Minister ought to have taken extra trouble to obtain outside analysis, in view of the fact that doubts had been expressed, not only by myself, but by others. As I am limited to half-an-hour, I shall not be able to quote statements sent to the Minister by various chambers of commerce.

Mr. KINGSTON. — Does the honorable member not know that inquiries have been made in the case of every complaint?

Sir MALCOLM McEACHARN. — Then there is the matter of the stoppage of Inter-State goods. Apart from any question of

duty or fraud, a man in the State happened to ship some pills from America which are made up here, and were described as of Victorian manufacture. The total difference made to the revenue of Tasmania was 2s., and yet the whole shipment was stopped.

Mr. KINGSTON. — Any one under the circumstances can get goods by depositing the duty.

Sir MALCOLM McEACHARN. — That may be so now, perhaps.

Mr. KINGSTON. — It has been so for months past.

Sir MALCOLM McEACHARN. — I believe the goods to which I refer have not yet been released.

Mr. KINGSTON. — That is not my fault.

Sir MALCOLM McEACHARN. — There is another matter in which the Minister has acted in an arbitrary manner. Goods carried on deck may have to be jettisoned, and this fact is not known to the merchant. As a rule, the entries are ready as soon as a ship comes in, and although the goods may have been jettisoned the Minister refuses to refund the duty.

Mr. KINGSTON. — I have not had before me a single case in which goods have been jettisoned, and a claim made for a refund.

Sir MALCOLM McEACHARN. — I placed the information before the Minister myself. Though all these delays occur, the Minister is prompt enough in catching any one whom he thinks he can bring before the police court. The *Socotra* is a ship which brought doors ready made up. The Minister, or some one else, heard that this shipment of doors were branded with a crown, and, because of that, assumed them to be prison-made. A statutory declaration was made by the merchants, and information from the Consul-General for the United States was given to the Minister that prison labour was not employed; but these goods were delayed from the 17th until the 25th of June, the Minister, in the meantime, telegraphing to San Francisco in order to ascertain whether or not they were prison-made. Surely the Minister should accept the statutory declaration of responsible people, without troubling to telegraph in a matter of the kind?

Mr. THOMSON. — Is a Crown the mark of prison-made goods in America?

Sir MALCOLM McEACHARN. — No; America is not a monarchy. But I do not think that the Minister will gainsay what I have stated. As to seized tobacco, the

regulations are so severe that it has really to be destroyed. Those to whom such tobacco has been consigned are desirous that it shall be turned into sheepwash, but under the regulations, vitriol or some liquid of the kind is poured over it, in order to render it absolutely useless. I am told that these regulations were prepared without consulting responsible officers in the Customs department. That may or may not be true, but, at any rate, that is my information.

Mr. KINGSTON.—I must say that the honorable member has been informed of a good many extraordinary things.

Sir MALCOLM McEACHARN.—There are a great many cases to which I could refer; but the Minister himself must know the strong feeling of widespread dissatisfaction that exists. Letters are coming to members of this House; but when complaints of the kind are handed over to the Minister in order to prevent the questions being raised in the House, nothing more is heard of them. At any rate, that is my experience, and I think it is the experience of a great many honorable members.

Mr. KINGSTON.—In relation to what?

Sir MALCOLM McEACHARN.—The Minister has received from me several letters, to which no replies in any shape or form have been made.

Mr. KINGSTON.—I suppose that the matters have been attended to.

Sir MALCOLM McEACHARN.—The whole commercial community feel very strongly on this matter, and unless I can see some change in the administration of the Customs department it will be utterly impossible for me to remain a supporter of the Government. I know that the step I contemplate is very important; but I have not arrived at my decision without a considerable amount of thought. So far as my election pledges and my convictions, as expressed on the platform, are concerned, they are unaltered. I shall be loyal to the pledges I have given; but this is a matter of such great interest, not only to merchants, but to their employes, and it affects so nearly the respectability of mercantile men, that I shall feel bound when occasion arises on any motion of want of confidence, to vote against the Government in consequence of the action of the Minister for Trade and Customs. Personally I feel very sorry, indeed, at having to take such a step. This is purely a political matter between

the Minister for Trade and Customs and myself. My relations with the other Ministers have been most pleasant, and personally I wish to thank the Acting Prime Minister for the courtesy he has displayed, and the kindly way in which he received me when I told him the course I should be compelled to adopt.

The SPEAKER.—The honorable member's time has expired.

Sir MALCOLM McEACHARN.—I am just about to finish. I felt that under the circumstances I should be wanting in my duty to my constituents, and to my own conscience, if I did not take the course I have indicated, and did not express myself as strongly as I have done.

Mr. KINGSTON.—The Government have no objection to the honorable member for Melbourne occupying longer time if he so desires.

The SPEAKER.—If permission be given by the House, the honorable member for Melbourne may, of course, continue.

Mr. KINGSTON.—I shall not make any conditions, but as this is a dispute in regard to shipments of tea——

Mr. CONROY.—The question is the general administration of the department.

Mr. KINGSTON.—The question between myself and the honorable member for Melbourne relates to shipments of tea, and I suggest that the discussion be confined to that question, with which I have come prepared to deal.

The SPEAKER.—I may point out that the notice handed to me by the honorable member for Melbourne shows that the motion for adjournment was moved to consider the administration of the Customs Act, and that, of course, affords a much wider scope than the question mentioned by the Minister for Trade and Customs.

Sir WILLIAM McMILLAN (Wentworth).—I should like to speak at this stage, because it is only fair that the Minister should have the opportunity of replying to everything that is said with regard to the administration of his department. We ought to deal with the great mercantile community of Australia in the same spirit of justice and equity that we should deal with any other class. I know, of course, that there may be a certain amount of feeling in dealing with those who appear to break the law, and who, from their position, influence, and wealth ought to be the last to commit such

offences. But the mercantile community of Australia in the different States and under different Tariffs, have, so far as the great majority are concerned, done their best to uphold the Customs department in carrying out the law.

Mr. KINGSTON.—Hear, hear!

Sir WILLIAM McMILLAN.—If we had not had customs duties of a similar character in the several States, it might have been said that we had to exercise a stringency previously unknown. But there have been very similar customs duties in different States of Australia, and Tariffs have been introduced, and Tariffs have been altered. But I venture to say, from my own experience, that there has never been such an outcry from the mercantile community with regard to the administration of the Customs department in any State, at any time, as that we have heard during the last twelve months.

Mr. WATSON.—It is time there was an alteration in many of the States.

Sir WILLIAM McMILLAN.—I thank the honorable member; that is the key-note of the feeling now. If any meaning is to be attached to the interjection, and to a certain amount of the administration of the Minister, it is that for years past there has been a secret system by which the Customs have been swindled, and the various States deprived of revenue. There is no burking the question, if the Minister's contention be correct, that by various Treasurers or Ministers of Customs leniency has been shown to wealthy people. Absolutely fraudulent practices have been either overlooked or dealt with by insignificant fines, and the time has now arrived when, in the interests of the Commonwealth, that state of affairs must come to an end.

Mr. HUME Cook.—There have been too many private settlements.

Sir WILLIAM McMILLAN.—That is the atmosphere with which we have to deal, and the atmosphere may be so thick that it is impossible to do justice and equity to the mercantile community. But I take it that it is one of the salient or chief maxims of taxation that when we are taking money out of the pockets of the people the administration should be fair, and with as little trouble as possible caused to the people affected. I believe a great deal of the trouble has arisen from a wrong conception, or from what I might more properly describe as a want of the true

conception of the position as a matter of administration. I do not want to reflect on the Minister for Trade and Customs. I am sure that, personally, we are the best of friends; but I consider that, in some respects, it is a calamity that his great position, which involves so much that is essential to the best interests of the country at this particular crisis, is not occupied by a man of large mercantile experience, even though that man might not possess half the ability and genius of the right honorable gentleman. Let us look at the position which has faced the Minister. I ask honorable members to consider the position of the different States at the time of the introduction of the uniform Tariff in October last. In one of the States—a State containing 37 per cent. of the population of the whole Commonwealth—there was then in force probably the freest and simplest Tariff in the world. Surely in dealing with a uniform Tariff which had become necessary by reason of the adoption of federation, it was not necessary to consider that half the mercantile community of that free-trade State were rogues? Another reason why the administration of the uniform Tariff has been a matter of great difficulty is this: Previously in at least four of the States—in New South Wales, Victoria, South Australia, and Western Australia—the whole of the import trade was centred practically in one port. The administration of the Customs laws of those States was therefore very simple, because you had the Minister and his staff of officers at that port, and decisions of a uniform character were easily obtainable. But the federal Tariff, when introduced, applied to all the ports of Australia, and although no doubt it was necessary to secure uniformity of administration, it was, to my mind, equally necessary to give the fullest power of action to the officials at the head of the department in each port. A third difficulty arose in this way: The Federal duties were collectable immediately upon the announcement of the Tariff in October, but during its subsequent consideration by a committee of this House, alterations were made in it from day to day, and a great many of the errors which have been committed arose, not out of any desire to defraud, but because of the uncertainty created by those alterations. After having been considered in committee, the Tariff was recommitted, for a second consideration, and was again for a

period subject to continual alteration. Under all these circumstances the greatest consideration should have been shown to merchants. But, instead of that being done, merchants were brought before the police courts in the various States to answer charges in regard to which the officers of the Customs department did not understand the exact intention of the Legislature. Parliament is also to blame in this matter, because of the bad classification which has been adopted in the Tariff. As the Tariff is arranged, no department can administer it, and no mercantile community can comply with its conditions without committing errors. The Tariff is divided into divisions, and each division is subdivided into items imposing duties upon certain lines; but attached to these items are hundreds of exemptions. Furthermore, in some cases it has happened that while an article is made free if imported for one purpose it is dutiable if imported for other purposes. Under these circumstances it will be only after a great deal of experience of the working of the Tariff that any one will know exactly what is to be done in each case. I do not intend to bring forward a number of specific complaints, but I would point out that dissatisfaction has been created in the case of firms which are above suspicion, and that instead of the administration of the Customs department having been such as would draw the forces of the commercial world to its assistance, the Minister has forced them into a position of antagonism. I am sure that honorable members, whether free-traders or protectionists, desire to see the administration of the Customs department carried on with the utmost smoothness and fairness; and we wish to protect the revenue. I have had some experience in commerce in both Sydney and Melbourne. Years ago there was an association in Victoria, in close touch with the Customs authorities, to prevent fraudulent importers from bringing in goods without the payment of the legal duties. No doubt that association was formed for the protection of honest importers, but I refer to it to show that if the Customs department is fairly and equitably administered, the great bulk of the importing community will assist it in the prevention of fraud, because it is essential to honest commercial dealing that fraudulent importers should not be able to evade the payment of duties to the prejudice of

those who respect the law. In that you have a great conservative, and what I might term a police-like, factor. There is in the Customs Act a section which I am surprised was passed by this House, and which provides that the slightest clerical error may be regarded as a fraud. It was explained during the consideration of the measure here that so stringent a provision would not be enforced in cases of pure clerical error, but I am not talking at random when I say that the section has been enforced in hundreds of cases of clerical errors, and that under it men have been dragged before the police courts without rhyme or reason. It may be said that the department must not make a distinction between one firm and another. But in the administration of Customs Acts there must be distinctions. Where a firm has had a clean record for 20 years, its books having always been open to the department, and its employés always ready to assist the officials of the department in the proper administration of the law, consideration should be given to those facts when a clerical error comes to be made. I do not say that any distinction should be made when the perpetration of a fraud is discovered.

Mr. SPEAKER.—The time allowed to the honorable member by the standing order has expired.

Sir WILLIAM McMILLAN.—With the permission of honorable members I should like to be allowed another five minutes.

Mr. SPEAKER.—Is it the pleasure of the House that further time be granted to the honorable member for Wentworth?

HONORABLE MEMBERS.—Hear! hear!

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Mr. HUME COOK.—There have been too many private settlements.

Sir WILLIAM McMILLAN.—That is the atmosphere with which we have to deal, and the atmosphere may be so thick that it is impossible to do justice and equity to the mercantile community. But I take it that it is one of the salient or chief maxims of taxation that when we are taking money out of the pockets of the people the administration should be fair, and with as little trouble as possible caused to the people affected. I believe a great deal of the trouble has arisen from a wrong conception, or from what I might more properly describe as a want of the true

conception of the position as a matter of administration. I do not want to reflect on the Minister for Trade and Customs. I am sure that, personally, we are the best of friends; but I consider that, in some respects, it is a calamity that his great position, which involves so much that is essential to the best interests of the country at this particular crisis, is not occupied by a man of large mercantile experience, even though that man might not possess half the ability and genius of the right honorable gentleman. Let us look at the position which has faced the Minister. I ask honorable members to consider the position of the different States at the time of the introduction of the uniform Tariff in October last. In one of the States—a State containing 37 per cent. of the population of the whole Commonwealth—there was then in force probably the freest and simplest Tariff in the world. Surely in dealing with a uniform Tariff which had become necessary by reason of the adoption of federation, it was not necessary to consider that half the mercantile community of that free-trade State were rogues? Another reason why the administration of the uniform Tariff has been a matter of great difficulty is this: Previously in at least four of the States—in New South Wales, Victoria, South Australia, and Western Australia—the whole of the import trade was centred practically in one port. The administration of the Customs laws of those States was therefore very simple, because you had the Minister and his staff of officers at that port, and decisions of a uniform character were easily obtainable. But the federal Tariff, when introduced, applied to all the ports of Australia, and although no doubt it was necessary to secure uniformity of administration, it was, to my mind, equally necessary to give the fullest power of action to the officials at the head of the department in each port. A third difficulty arose in this way: The Federal duties were collectable immediately upon the announcement of the Tariff in October, but during its subsequent consideration by a committee of this House, alterations were made in it from day to day, and a great many of the errors which have been committed arose, not out of any desire to defraud, but because of the uncertainty created by those alterations. After having been considered in committee, the Tariff was recommitted, for a second consideration, and was again for a

period subject to continual alteration. Under all these circumstances the greatest consideration should have been shown to merchants. But, instead of that being done, merchants were brought before the police courts in the various States to answer charges in regard to which the officers of the Customs department did not understand the exact intention of the Legislature. Parliament is also to blame in this matter, because of the bad classification which has been adopted in the Tariff. As the Tariff is arranged, no department can administer it, and no mercantile community can comply with its conditions without committing errors. The Tariff is divided into divisions, and each division is subdivided into items imposing duties upon certain lines; but attached to these items are hundreds of exemptions. Furthermore, in some cases it has happened that while an article is made free if imported for one purpose it is dutiable if imported for other purposes. Under these circumstances it will be only after a great deal of experience of the working of the Tariff that any one will know exactly what is to be done in each case. I do not intend to bring forward a number of specific complaints, but I would point out that dissatisfaction has been created in the case of firms which are above suspicion, and that instead of the administration of the Customs department having been such as would draw the forces of the commercial world to its assistance, the Minister has forced them into a position of antagonism. I am sure that honorable members, whether free-traders or protectionists, desire to see the administration of the Customs department carried on with the utmost smoothness and fairness; and we wish to protect the revenue. I have had some experience in commerce in both Sydney and Melbourne. Years ago there was an association in Victoria, in close touch with the Customs authorities, to prevent fraudulent importers from bringing in goods without the payment of the legal duties. No doubt that association was formed for the protection of honest importers, but I refer to it to show that if the Customs department is fairly and equitably administered, the great bulk of the importing community will assist it in the prevention of fraud, because it is essential to honest commercial dealing that fraudulent importers should not be able to evade the payment of duties to the prejudice of

those who respect the law. In that you have a great conservative, and what I might term a police-like, factor. There is in the Customs Act a section which I am surprised was passed by this House, and which provides that the slightest clerical error may be regarded as a fraud. It was explained during the consideration of the measure here that so stringent a provision would not be enforced in cases of pure clerical error, but I am not talking at random when I say that the section has been enforced in hundreds of cases of clerical errors, and that under it men have been dragged before the police courts without rhyme or reason. It may be said that the department must not make a distinction between one firm and another. But in the administration of Customs Acts there must be distinctions. Where a firm has had a clean record for 20 years, its books having always been open to the department, and its employes always ready to assist the officials of the department in the proper administration of the law, consideration should be given to those facts when a clerical error comes to be made. I do not say that any distinction should be made when the perpetration of a fraud is discovered.

Mr. SPEAKER.—The time allowed to the honorable member by the standing order has expired.

Sir WILLIAM McMILLAN.—With the permission of honorable members I should like to be allowed another five minutes.

Mr. SPEAKER.—Is it the pleasure of the House that further time be granted to the honorable member for Wentworth?

HONORABLE MEMBERS.—Hear! hear!

Sir WILLIAM McMILLAN.—My remarks have been very scattered because my time has been limited. This is probably the first occasion on which the present Minister has been in charge of what I may call a business department, and I would point out to him that he cannot control such a department upon the same lines as those upon which he might control the Attorney-General's department in South Australia. In no business in the world, whether carried on by the State or by a private individual, can error be avoided, and curiously enough, mere clerical errors often have the appearance of palpable fraud. That being so, the Minister should not have taken up the position which he has adopted. He says, "I am not going to parley with any of these

people. Let the law take its course. If they have offended against the law, let them go before the courts of justice." No business in the world could stand that ordeal. I know some of the opinions of the Minister as to what is the right method of administering the Customs department, because I have had opportunities to speak with him on the subject. One of his ideas was that to obtain uniform decisions upon certain matters, it was necessary during the first twelve months that every case should be referred to Melbourne. The right honorable gentleman, not knowing anything of mercantile affairs, did not take cognisance of the fact that mercantile conditions are continually changing, and that under the Commonwealth Tariff, above every other that I have ever known, questions of interpretation must arise continuously. There is no way of administering the department, except under the circumstances, by giving the largest powers to the responsible officials in each State, so that cases may be dealt with immediately, without the necessity for reference to Melbourne. The lack of courtesy in delaying to reply to letters for weeks and weeks has been such as would have broken down any private business. Then, again, all sorts of complaints have arisen in regard to errors made in connexion with Inter-State certificates, where there can be no question of fraud. No doubt the various States Governments are interested to a trifling extent in connection with the Inter-State certificates, but their interest is very small indeed. I admit that every representation which I have made to the Minister has been courteously received, and quickly dealt with, but I wish to mention a glaring case, in which quite opposite treatment has been received. On the 5th June last a certain firm sold to a Queensland firm about 20 boxes of butter which had been imported from New Zealand, and had passed through several hands. Of course, the import duty had been paid; but some mistake was made in connexion with the Inter-State certificate, and on the 20th June a letter was received from the Collector of Customs in Sydney—not in the stand-and-deliver style—but saying that he would "be glad to receive an immediate explanation from you regarding this matter."

Mr. KINGSTON.—That is the form always used.

Sir WILLIAM McMILLAN.—On the 23rd June, three days afterwards, the firm

wrote a letter explaining the whole case, apologizing for the mistake, and offering to rectify it in any way that might be suggested. To that letter they received no word of reply until the 23rd August—two months later—when, on a Saturday, they received a summons to appear at the police court on the following Wednesday.

Sir MALCOLM McEACHARN. — Did the Minister proceed in that case?

Sir WILLIAM McMILLAN. — No; I asked him to stay proceedings.

Mr. KINGSTON.—There was too short a time for the preparation of the defence, and, therefore, I consented to the adjournment of the case for a fortnight.

Sir WILLIAM McMILLAN.—That is only one case among hundreds. No doubt the honorable member for Melbourne and others in similar positions are able to obtain interviews with the Minister; but there are hundreds of merchants who cannot do so, and who are, therefore, absolutely at the mercy of the officials of the department. The principle upon which the department has acted, and which the Minister has enunciated in this House, is—"Let the law take its course. We are not going to interfere."

Mr. WATSON.—A very good principle.

Sir WILLIAM McMILLAN.—It is impossible to administer a department like the Customs department in that way.

Mr. KINGSTON. — Would the honorable member have these cases tried in the Minister's office?

Sir WILLIAM McMILLAN.—I do not want that. But when there has been a palpable error, or where the mistake is in an Inter-State certificate, and could not under any circumstances benefit those responsible for it, surely some reasonable treatment should be given to the offenders. What is the contention in regard to mistakes in Inter-State certificates? It is not that the individuals responsible are committing fraud to benefit themselves, but that, if mistakes are permitted, the States may be mulcted of a certain amount of revenue. Surely in these cases the rigid practice of the department regarding the prosecution of those who commit trifling breaches of the Customs Act should be relaxed. Owing to the alterations which have been made in the Tariff from time to time, and owing also to the want of proper classification of the items, we have created difficulties which have made it almost impossible to prevent

errors, and as a matter of common sense and business experience these errors ought not to be dealt with by the department as if they were made with fraudulent intent in every case. On the other hand, every facility should be given to members of the commercial community, nine-tenths of whom wish to facilitate the operations of the Customs department.

Mr. WATSON (Bland).—I think the thanks of the community are due to the honorable member for Melbourne for bringing forward his motion, because he has demonstrated that those who stated, when the Tariff was under consideration, that the abolition of the tea duty would result in the poisoning of the people were not correct in their prophecy. From the statement now put before us, the public will be able to see that every precaution is still being taken to insure that the grades of tea imported here are of proper quality, and are not likely to inflict any injury upon consumers.

Sir MALCOLM McEACHARN.—The contention is that the prohibited samples of tea are fit for consumption.

Mr. WATSON.—That is a matter for competent authorities to settle; but I am glad that publicity is to be given to the fact that the Customs Act itself contains the necessary provision in this regard, and that we have a Minister who is not amenable to influence or representation from outsiders, and who is prepared to administer the Act in its integrity. I have stated before that in my opinion the Minister is going rather far with regard to the interpretation of some of the provisions and the multiplication of the various forms with which it is necessary to comply before entries can be passed for the interchange of goods between State and State.

Mr. O'MALLEY.—There is too much red tape.

Mr. WATSON.—That may be so. But so far as the specific charges brought forward to-day are concerned, I desire to give the fullest possible support to the Minister. The experience of New South Wales has been just what might have been expected, because for many years Ministers were allowed to settle in their offices cases arising out of breaches of the Customs Act. We have on various occasions heard rumours regarding successful attempts to defraud the revenue on the part of different firms, who, when their cases were brought to light, were

simply asked to make good the deficiency involved, nothing further being heard of the matter. The honorable member for Wentworth said that no doubt those who supported the Minister were of opinion that the large majority of commercial men were given to practices of this kind. I do not, however, say that any large number of the men engaged in commerce in any of the States would descend to anything of the sort, and it is just because I believe that it is the insignificant minority who would be guilty of fraud that I consider it necessary that their proceedings should always be brought into the light of day, and that the Minister should be placed above any influences that might help them to get the better of their competitors in trade. The honorable member for Wentworth must remember one case which occurred in New South Wales, in which it was shown that a brewing firm had for years defrauded the excise branch of the Customs department of thousands of pounds. That fraud was discovered through information given by a discharged employé. The case was settled by the Minister, and the public did not know until years afterwards—certainly it was months afterwards—that the firm concerned had committed any fraud, or had been allowed to settle their case on the payment of the amount of which the revenue had been defrauded. The honorable member for West Sydney, who was then a member of the New South Wales Legislative Assembly, brought the matter up in that Chamber, and it was proved beyond doubt that the persons concerned should have been in gaol; but because of the system which had grown up under which Ministers continually settled cases of this kind, without reference to the courts, the offenders escaped on the mere restitution—which any common thief would be glad to make—of the money of which they had defrauded the State. So long as any Minister agrees to consider these cases *in camera*, so long will such abuses be possible. I do not care how virtuous a Minister may be; it is impossible for him not to make mistakes occasionally against the interests of the public.

Sir MALCOLM McEACHARN.—The honorable member is dealing with matters of fraud. I was referring to an entirely different class of case.

Mr. WATSON.—It is extremely difficult for a non-judicial person to decide whether

merely pure inadvertence or direct fraud is involved in a mistake, and all such questions should be decided by a magistrate or judge in open court, in the full view of the public, and under circumstances in which every consideration can be given, and the person prosecuted may get his deserts.

Mr. CONROY.—The Act prevents magistrates from deciding upon what they regard as the merits of the case.

Mr. WATSON.—That is an argument for an alteration of the law. I believe that some justification has been shown for such an alteration, and I should be quite prepared to support a proposal in that direction. After having assisted to pass the Customs Act, we have no right to shunt all the responsibility on to the Minister.

Mr. THOMSON.—But what assurances were given?

Mr. WATSON.—That the law would be carried out. In cases where it is shown that the mistake made was due to mere inadvertence, the magistrate should have power to either dismiss the information, to inflict a nominal fine, or to find that the mistake was the result of inadvertence. It would, however, be dangerous to give the Minister this discretion.

Mr. CONROY.—That is left to the Minister now.

Mr. WATSON.—I understand the charge against the Minister is that he does not use any discretion, but forces all cases into court.

Sir WILLIAM McMILLAN.—Does the honorable member know that the Customs officials refuse to tell those who desire to pass entries whether an article is dutiable or not?

Mr. KINGSTON.—When we are told what is in a package, we say whether it is dutiable or not.

Mr. WATSON.—I know that a certain amount of justifiable dissatisfaction exists in Sydney with regard to the details which are asked for, and the method in which they have to be supplied, and I have not been slow to condemn the Minister for the complicated method in which he is working the department, but that is altogether apart from the question raised by the honorable member for Melbourne. The honorable member's quotation from my remarks on a former occasion were also inappropriate to the matter in hand. I was then referring to the fact that the Minister was sweating the employés in the Sydney Custom-house by

compelling the members of the clerical and outside staffs to work overtime without remuneration, and at a pressure which was not conducive to good work. That matter was totally distinct from that now raised by the honorable member for Melbourne.

Sir MALCOLM McEACHARN.—The honorable member contended that the Minister was treating the officials outrageously.

Mr. WATSON.—But that had no reference to merchants being proceeded against for erroneous entries. The complaint made by the honorable member is that the Minister has refused to settle certain cases out of court.

Sir MALCOLM McEACHARN.—Where no fraud is involved.

Mr. WATSON.—In my view it would be most unwise to allow any Minister to be the judge as to whether mistakes were made by inadvertence or design. I trust that whilst the Minister may see his way clear to relax some of the regulations which undoubtedly hamper commercial men, particularly in regard to Inter-State exchanges, I hope that he will allow no criticism, such as has just been levelled at him, to induce him to deviate for one moment from the straight course of insisting that all cases of error, whether intentional or not, shall be sent to the public courts for judgment as to whether they are venial offences or otherwise.

Mr. THOMSON (North Sydney).—I should like to know whether the honorable member for Bland, who applies such a rigid code to the Customs Act, would also be willing to apply it to every department of the Commonwealth, or the State—say, for instance, to the administration of the income tax or the land tax?

Mr. WATSON.—I would.

Mr. THOMSON.—Then we should never have our law courts empty. They would flourish, and the development of the country would be arrested.

Mr. WATSON.—I could mention a good many cases of fraud in connexion with the land tax.

Mr. THOMSON.—I am quite aware that frauds are committed under the land tax, and also under the Customs Act, and I should be the last to excuse such offences against the law, or to prevent the most drastic steps being taken regarding them. If, however, every case of error, even though manifestly free from fraudulent intent, is to be taken into court, we shall work untold

injury to our great trading and industrial institutions. I know nothing about the cases mentioned by the honorable member for Melbourne, and I shall not express any opinion regarding them. I know from experience that it is very dangerous to take proceedings upon the extract strength of tea analyses. If, however, tea is not according to standard, proceedings should be taken against the importers unless there are some circumstances, such as have been mentioned by the honorable member for Melbourne, which ought to relieve them from responsibility at this early stage of the administration of the new regulations. I wish to confine my remarks to the administration of the Customs department. To me that administration appears to be defective from several causes. First, it is defective because of the provisions contained in our Constitution relating to the bookkeeping system between the different States—for which the Minister is not responsible—and the necessity which consequently exists for the supply of the most trivial particulars in connexion with Inter-State transactions. Those provisions must create difficulty and leave a great opening for error. Then we have the Tariff itself, for the framing of which the Minister is, to some extent, blameworthy. Time after time it was pointed out to him that the line of demarcation between the scheduled items was not sufficiently distinct, and that difficulties would therefore be created in interpretation and administration. Further, we have enacted such peculiar provisions in regard to the collection of duties, that, in particular instances, I defy any honorable member, even after the most elaborate research, to determine what duty should be paid. In some cases—as was pointed out by the acting leader of the Opposition—the duty chargeable upon certain articles depends upon the use to which they are to be put. Let us take wheels for trucks as an example. A man may import 100 of these. If they are used in connexion with coal skips they are not dutiable, but if they are used for other mining purposes they are dutiable. How can an importer determine the use to which they are to be put? He imports them for sale. Can anyone decide under what duty those goods should be entered? Who can say what is the ultimate use to which they will be put? The importer may sell some which will be used for one purpose, and others which will be used for another. That is

merely an illustration of the difficulty which exists, and which is equally applicable to a good many items on the Tariff. In every instance I objected to the duty chargeable upon any article being made dependent upon the use to which it was to be put.

Mr. SPEAKER.—I must ask the honorable member not to discuss the Tariff.

Mr. THOMSON.—I am merely pointing out that the peculiar way in which the Tariff has been framed is responsible for some of the difficulties which are experienced in its administration. I have a great deal of sympathy with the Minister. He has told us that he accepted his present office without having had the benefit of any previous experience.

Mr. KINGSTON.—I do not hesitate to say that the honorable member has always shown his sympathy.

Mr. THOMSON.—I have tried to do so, and the Minister has extended every courtesy to me, so much so that if this matter had not been brought up, and I had not felt in duty bound to voice the numerous representations which have been made to me, I should not have raised it at the present time. I should have been content to remain silent in the hope that the Customs administration would improve, and that complaints would be prevented. But at the present time it appears to me there is infinitely too much delay in obtaining decisions. If the business of Australia is to be effectively carried on—and it is to the interest of every one that it should be—prompt decisions must be given. But we cannot have promptitude in decisions if matters have to be referred from the uttermost ends of Australia to Melbourne, and although the Minister hopes that some day these references will cease, they have not ceased up to the present, and have been the means of creating enormous dissatisfaction. Then again the right honorable gentleman takes so much work upon himself that he cannot possibly deal with it. I might mention one case in which only a decision was asked for. The importer was ready to pay the duty immediately that decision was given, but it took five or six months to obtain it. I say that the Minister cannot successfully undertake all the work which he attempts to perform. Moreover his action involves the degradation of his high officers in the other States, who with their large experience, ought to be prepared to give decisions upon matters which

are brought under their notice. It is highly desirable—even if in some cases errors may at first be committed—that prompt decisions should be available rather than that trade should be dislocated, and goods detained whilst a reference is being made to the central authority in Melbourne. Regarding the prosecutions which have taken place, I am sure that no one desires any back-door settlement of fraudulent cases. When the drastic provisions in the Customs Act were under consideration, objection was taken to them. What was the reply given? It was stated that it was necessary to have very drastic provisions in a Customs Act. So it is; but it was intended that the powers conferred by those provisions should be exercised with discretion. My complaint is that no discretion is being exercised. The Minister regards everybody with a strong suspicion. He even regards himself with suspicion, fearing that he may be led away by some chance circumstance, some friendship, some belief in honesty to do wrong when he ought to do right. Consequently he says to the importers, "Go to the courts." What does that mean? It means the reverse of what is involved in any ordinary appeal to the courts, because under the English law a man is presumed to be innocent until he has been proved guilty; but under the law that the right honorable gentleman administers, he is presumed to be guilty until he has established his innocence. Even after he has proved his innocence he is liable to a fine, and to the reflection upon his good name which the fine involves, because very often people do not distinguish between a penalty imposed for guilt or merely on account of error. The prosecution of a man in South Australia the other day in connexion with the importation of a small quantity of mustard oil seems to me a most astounding one. Why should such a case go into court? The value of the whole of the goods was only 2s. 8d. In that case the goods were declared on the package to have been manufactured by prison labour. The person who imported them for his own use knew nothing about that. The goods, of course, should be forfeited, but why should he be dragged into court, and his good name affected, because of such a simple error? In conclusion, I desire to point out the complaint of the Sydney Chamber of Commerce

in connexion with Customs administration, as expressed by the president. I think that honorable members will consider that the address of the president of that chamber, in alluding to these matters, is essentially well balanced. He speaks in most kindly tones of the Minister, which is evidence that credit is given where it is due. He says—

I say unhesitatingly that if the electors throughout the Commonwealth had had the faintest suspicion that intercolonial free-trade could possibly involve business in such utter chaos, federation would have been rejected by every State. We find but little fault with the Customs Act itself. It is clear, concise, and comprehensive, and reflects great credit on the draughtsman. It is recognised that laws relating to taxation should include stringent provisions and penalties for the prevention and punishment of fraud, and the commercial community are equally interested with the Government in the prompt detection and punishment of any fraudulent practices on the revenue. It is not the law, but its administration, that is agitating the minds of the people in this State, and I am sure if the Minister were only aware of the strained feeling of disappointment with the administration he would more fully appreciate the continued appeal of a commercial community for more reasonable treatment, not in their interests only, but also in the interests of the good name and reputation of the Government. A continuance of the present policy cannot possibly be attended with any beneficial results, and can only tend to alienate the sympathies of an important section of the community, to whose enterprise and industry Australia owes no small share of its prosperity. Whilst fully appreciating and recognising the high motives which appear to be guiding the Minister for Trade and Customs in his strict interpretation and severe administration of the law, it is felt that had he been familiar with the practical side of the question, less friction and misunderstanding would have resulted, and less necessity for legal procedure. Whilst the law affords the administration wide and arbitrary powers, which are wise and necessary when special occasion arises, it was never contemplated by the Legislature that they were intended to comprehend by punishments and penalties the pardonable errors and omissions which, in spite of all human care and provision, are inevitable. Hitherto, in British communities at least, an absolute interpretation of the law, according to its strict letter, has been reserved to the courts, whilst the principles of equity have guided the practice in administration. It is obvious that the law cannot provide for every possible contingency, any more than it can be said that its provisions are each capable of literal interpretation and enforcement. To presume so, suggests a perfection in law-makers which has no existence in fact. It is surely therefore not unreasonable to ask and expect that equity should guide the hand of administration, so that the law may be construed, not according to the strict letter, but rather in a reasonable and

just spirit, with due regard to the individual, as well as to the Commonwealth. The constant prosecutions for isolated, and very often trifling, errors and omissions in entries and declarations; the discredit attaching to firms whose names have never previously been before the court; the anxieties and fears of importers, agents, and employes, have reached such a pitch of tension as almost to provoke the errors which the means adopted are supposed to remedy. The trading community generally desire to observe all the proper demands of the department which the law provides, and they also desire that when there is evidence of gross carelessness or intentional evasion, due punishment should follow, but they earnestly and strongly protest against the present unnecessary severity in administration for which, so far as they are aware, there is no justification or precedent. It is with a sincere desire to aid the Minister that I thus publicly refer to the true cause of much of the present discontent, and I venture to hope that my remarks may be accepted in the spirit that prompts them, and be the means of inducing the Minister to somewhat relax his present harsh and cruel system of administration, and so relieve us of a position which has become utterly intolerable.

It is in that spirit, and that spirit only, that I approach this matter, and I say that if the Minister will allow that common sense which he usually exercises to guide him in the administration of our customs law, he will benefit not only the people of Australia, but the whole of the mercantile community.

Mr. CONROY (Werriwa).—Whilst I agree with the motion submitted, I cannot say that I support it upon the grounds which have been urged by the honorable member for Melbourne. Until he recants his former views, I hope that he will not cross over to the opposition side of the chamber. We do not want him until his ideas undergo a change.

Sir MALCOLM MCEACHARN.—The Opposition will not get me upon those terms.

Mr. CONROY.—When the honorable member referred to the lack of sound administration in the department, I was in thorough accord with him. It was really alarming to hear the Minister cheered on the Government side of the House, as if it was thought he had to send on to the court in every case. The Minister need not and does not do so in every case, but has the power to determine the course to be taken. So far back as 16th July last year I drew attention to the stringency of the provisions of the Customs Bill, which was then before the House. I knew the bungle the Minister would make, having in a short time summed up his character. I objected

to this power being bestowed, and said that if the administration were intrusted to the Minister's hands there would bound to be confusion in the mercantile world. Trouble must arise when the Minister is a legal man without requisite commercial knowledge, or that large acquaintance of the world which the study of outside affairs alone can give; and I do not suppose there is a man either inside or outside the House who would undertake to say that the administration has been successful. Under the Customs Act in its present form, it does not matter how innocent an error may have been, a man who is brought before the court must be convicted, and if there be two such convictions, a third offence, however inadvertently committed, may be punished with imprisonment for not less than six months, or more than two years. It is not left within the power of the magistrate or the judge, even in the case of the most trivial offence, to decide that no penalty shall be inflicted. On the 16th July last year I asked whether, in the case of mere error or inadvertence, the Minister had power to stop any action, and the Minister replied in the affirmative. That is the correct view, and it is possible that power may have been exercised so seldom, in the case of innocent men at least, that it is not worth mentioning. On the same occasion the Minister said that there was no compulsion to sue any one, and that no one would be sued unless it was felt that such a course ought to be taken. The Minister will not try to decide these matters as an administrator. He is perpetually troubling himself with petty details which entail on himself extremely hard work, without producing any good result. If the town clerk of Melbourne, who is paid about £2,000 a year for looking after the administration of the interests of the citizens, were to occupy himself in removing orange-peel from the pavements, he would be in a position exactly analogous to that taken up by the Minister for Trade and Customs. The details occupy him so much that there is no time to deal with large matters, and the result is a state of affairs which has caused complaint in every part of Australia. From Brisbane the other day a man, through his solicitors, forwarded £120 to the Customs department, and it is perfectly easy to see, on reading between the lines, that that man was one who had gained some advantage in consequence of a slight

error in the entries, but an error which, in consequence of the character of the administration, he was afraid to acknowledge. Some five months ago a merchant in Sydney made a small error of the kind, and though he would have been perfectly willing to pay the duty, he was advised by his solicitor to say nothing about the matter, or otherwise he would be convicted. I was consulted, and I informed the man's solicitor that my opinions could be found in my speeches of five or six months previously, and that I must decline now to advise in the case. Every one will agree with the Minister in endeavouring to prevent fraud, but his administration is certainly responsible for the present position. I wonder the honorable member for Melbourne brought the question forward, seeing that large importers rather like these hindrances, which are too expensive for smaller men to bear, but that is probably the reason why the Minister imposes these disabilities, as they wipe out the smaller men, and lessen competition. But consequences of that kind would do a great wrong to the great bulk of the traders who carry on their business legitimately. The administration all through has been a disgrace to a civilized community. As to tea, it is clear that the Minister, with his remarkable knowledge of chemistry is going to tell us that the stoppage is in the interests of the public health—that the tea is the sweepings of the gutter, and that he deserves credit for preventing its distribution. If the tea is really bad, there is no credit in stopping it, though discredit would attach to the Minister if he did not stop it according to law. I do not think that the Minister is able to give us the information, but we might as well at this juncture recognise exactly what tea is. It is one of the commonest and hardiest of plants, which will flourish in any temperate climate. Tea will grow in England and is grown in Australia, the common camellia which we see growing in the open air being a plant of the same order. The Minister ought, I think, to give us some information about tea, in relation to the alkaloid theine, and also to the tannin in it.

Mr. SPEAKER.—The question is the administration of the Customs Act.

Mr. CONROY.—I hope the Minister will give us that information for the benefit of the people. But the Minister's time is taken too much up in dealing with the dismissal and appointment of message boys

that he has no opportunity for dealing with trade matters involving thousands and thousands of pounds. While I do not welcome to this side the honorable member for Melbourne, until he is prepared to embrace our ideas, I am glad that even outsiders are beginning to recognise that the administration of the department is bad. I do not think I shall actively support the motion for the adjournment of the House; my inclination is to walk out rather than vote.

Mr. O'MALLEY (Tasmania).—Instead of condemnation being heaped on the honorable member for Melbourne, he ought to be praised for bringing this question up; and I hope the discussion will cause the Minister for Trade and Customs to discontinue, if it be possible, dragging insignificant cases into court. If I were not well acquainted with the Minister, as an old supporter, and if I did not know him to be a sterling, honest man, I should believe that this was a case of one lawyer making litigation for a lot of his brethren out of work. But I do not believe anything of the kind, and I am sorry the honorable member for Werriwa has introduced personal matters into the discussion. We do not want to have personal matters introduced into this Chamber. We are here to represent the people, and to defend their interests, and while it may be necessary to condemn a policy, I do not think we should deal personally with the individual responsible for it. The acting leader of the Opposition said that the Minister for Trade and Customs ought to be a commercial man, but I do not think that that statement will bear investigation. The Judges in our courts are not men with commercial experience, but great commercial cases are decided by them.

Sir WILLIAM McMILLAN.—They do not deal with matters of administration.

Mr. O'MALLEY.—They have power to send those appearing before them to gaol if need be.

Mr. CONROY.—They deal with the cases brought before them on the evidence submitted.

Mr. O'MALLEY.—In the same way, the cases arising out of the administration of the Customs department must be dealt with upon the evidence submitted. The Minister should weigh this evidence carefully, and consider whether a wrongful act was done for the purpose of defrauding the revenue. He should remember that the mistake may be due to the fault of a clerk, and all the

circumstances surrounding the case should be fully considered. But honest merchants should be thankful when unscrupulous and dishonest traders are punished, and should be ready to help the Minister to brand as dishonest those who attempt to defraud the revenue.

Sir WILLIAM McMILLAN.—That has always been the case.

Mr. O'MALLEY.—I do not like to hear of people being dragged into the courts unnecessarily for what are merely mistakes. Mistakes are constantly being made in mercantile dealings, but one man writes to another to call on him, and they are rectified in a few minutes. The curse of every British community is that people think that crime will be prevented by dragging persons into court, and imprisoning, branding, or hanging them. Nothing of the sort. Terrible punishments never prevent crime.

Mr. KINGSTON (South Australia—Minister for Trade and Customs).—I recognise the generous tone of the debate, and I am not disposed to take exception to the observations of the honorable member for Melbourne, who, believing that he had a right to protest, has protested in what he considers to be the most effectual and proper way. I trust that further consideration will lead him to the conclusion that his protest was, perhaps, under the circumstances, a little extreme; but I may assure him that, as he has the satisfaction of knowing that he has done what he believes to be right, we are animated by the same feeling, and have come to the same conclusion. We think that the private settlement in the Minister's office of cases of the kind to which reference has been made this afternoon, is highly undesirable. I do not hesitate to say, from my knowledge of the records of Victoria, officially acquired, that the system of private settlement which existed here, but nowhere else, though adopted for a good purpose, was pushed to an extreme, and should not be revived. The opinion of the House in this matter was well indicated when we were dealing with the Customs Bill. Honorable members then showed that they desired nothing of the sort, and that private inquiries are abhorrent to them. If a breach of the law for which a penalty should be exacted has been committed, let that penalty be exacted in the light of day. Let it be known why those

who have offended are to be penalized. Let the case be made public, so that every one may know all the circumstances connected with it, instead of having a vague paragraph in a corner of a newspaper which may mean this, that, or the other thing. Why should a practice be conceded to the mercantile community which is not extended to the members of any other section who offend against the law? I am sure that there is a general feeling that a return to any system such as I refer to should not be permitted, and we are doing what we can to give effect to what we believe is the wish of Parliament in this matter, and accords with the sense of justice in the community.

Sir WILLIAM McMILLAN.—Would not the Minister permit a Customs official to allow the rectification of a clerical error?

Mr. KINGSTON.—We are not laying down the rule that persons must be prosecuted and penalized for the smallest clerical error, such as might take place in an arithmetical calculation; but in collecting duties, as I have stated in communications with chambers of commerce and other bodies interested, we have a right to know from the importers what is the nature of the goods they are importing, and what is the value of those goods. As a general rule, where that information is stated honestly, there is an indication of an honest intention, and with proper vigilance on the part of the Customs officials neither the honest merchants nor the revenue will suffer, even if there be slight mistakes, which do not amount to a false declaration, in reply to either of the questions I have named. Our wish in this matter is to obtain the security of the revenue, so that the Government may get what it ought to get. It would be monstrous if, when the States and the Commonwealth have some difficulty in procuring the revenue necessary to make ends meet—I am speaking figuratively—those who owe money to the Government should by various means escape the payment of it, and that therefore additional taxation must be exacted from those who already have sufficient to bear, or retrenchment practised in connexion with the public service and in other directions. We should make our debtors pay the money they owe us before placing additional burdens upon the taxpayers. I have the assurance from my officers that the revenue is coming in very well indeed under existing circumstances. I may be taking to

the department credit which does not belong to it when I say that the exactitude with which the Customs laws have been administered has led to that state of affairs in no small degree, but I believe it to be so, and that hundreds and thousands of pounds are now being received which otherwise would not have been obtained. That fact may explain, to a considerable extent, the large returns which we are getting from a Tariff whose duties have been considerably reduced, even to exemption, during their consideration by this Chamber. I acknowledge the valuable assistance which I have received from the representatives of the commercial community. Reference has been made to chambers of commerce, and I am happy to think that my relations with them have been so satisfactory. We believe in administering the law, so that the honest traders, who constitute the great majority of the commercial community, will be protected against the unscrupulous minority, who have recourse to little frauds which, when they are bowled out, they try to excuse as mere clerical errors. It is to the interests of the revenue, in justice to the taxpayer, and the whole community, and for the protection of the great majority of our traders, that the law should be stringently administered. We welcome a debate of this sort. We have taken any amount of trouble in connexion with the administration of the department. I do not think any one will say that any one of the Ministers has in the slightest degree shrunk from the work entailed upon him by the duties of his office. If there is one thing which has pleased me recently, it is the opinion of the Board of Customs in England upon the Customs Act which was passed by this Parliament last year. The Board speak of that Act in the highest terms, and I am delighted that my department was able to contribute to its successful enactment. Having a measure which is so highly praised by such a high authority, we should spare no pains to secure its best administration. We wish to bring about justice of the most even-handed description, and to assist honest traders in every way possible. The difficulties which at present exist are no doubt of the most troublesome character, but we are getting over them, and I hope that shortly we shall successfully surmount them all. I have not hesitated, although I knew that I might expect rather sharp

Mr. Kingston.

replies from some quarters, to place myself in direct communication with chambers of commerce, chambers of manufactures, and other commercial representative bodies, for the purpose of exchanging views upon the subject of administration. I have asked these bodies—"What have you to complain of? What have you to suggest?" so that I may look into their suggestions most carefully, and, where necessary, apply what remedies are possible.

Sir WILLIAM McMILLAN.—Has the right honorable gentleman learnt anything?

Mr. KINGSTON.—I hope so. I am disposed to think that I know a great deal more about Customs matters now than I knew two years ago. I should be sorry if it were not so. I am only too ready to drink deeply at the well of commercial truth and knowledge, and to use the information I obtain for the benefit of the public and to the advantage of the department over which I have the honour to preside. I have received a number of replies, but I have not had time to go through them all. I know what hard work is. I have never shirked it, but I have never had harder labour to perform than during the past eighteen months.

Mr. WILKS.—The right honorable gentleman deserves it. Some people think he should get ten years' hard labour.

Mr. KINGSTON.—I am only too glad to have the opportunity to perform this work, and I hope that the result may be for the good of all. It was a trouble to pilot a Tariff through a State House. I sat beside Senator Playford when he piloted a Tariff through the South Australian Parliament, and I thought it hard work. But we have had to deal, not only with a uniform Tariff affecting all the States, but to pass in addition the Customs Act, which has been so highly spoken of, and other machinery Bills, such as those dealing with beer excise, distillation, and excise generally, and also to frame regulations. Some of my officers, I think, were not sorry when the work which had to be done in connexion with the machinery measures ceased. It imposed upon them a strain which I regretted, but which was absolutely unavoidable. But what is the position to-day? One of the most distinguished public servants in Victoria—the Comptroller of Customs—has been told by his medical adviser that it is absolutely necessary, on account of the mental strain to which he

has been subjected, to ask for a lengthy period of leave. I have gladly granted him that leave, but I regret the circumstances which have made it necessary. The Victorian Collector, who for a time took his place, had to retire to a sick bed, from which, I am glad to say, he is at last able to rise. Two other officers under me have been almost similarly afflicted. Honorable members complain of delays because this and that little note has not been promptly answered, but all our time has been required for the performance of more substantial and necessary work. I venture to think that those who complain are a little exacting. I do not hesitate to tell honorable members that I could not have done what I am doing now if my health had not been better this year than it was last. When I have seen my officers, those who were my right hand, as it were, dropping round me, I have sometimes wondered when my turn would come; but until my time does come, I shall do the work which I am given an opportunity to do. I was really interested to hear some of the extraordinary charges brought against me, and I intend, in due course, to demolish the whole of the complaints. Regarding what was said by my friend the honorable member for Melbourne—we are still friends, although there has been a difference of opinion between us—to the effect that I had laid down the rule, that Dr. Wollaston should deal with no matter involving an amount of more than £1, all I need say is, that the idea is preposterous, and that I never dreamt of doing anything of the sort.

Sir MALCOLM MCEACHARN.—I said that it was stated that the Minister had done so.

Mr. KINGSTON.—Exactly, and I want to know where these statements come from. That is why I want the Chambers of Commerce to give me particulars of the charges and complaints which they have to make against me. Amongst other things, they said that I directed that passengers' effects were not to be allowed to enter free of duty on any account.

Sir MALCOLM MCEACHARN.—I did not mention that.

Mr. KINGSTON.—No; but the statement was contained in an official letter, and was in direct contradiction to a circular which was issued long ago. However, I shall deal with the Chambers of Commerce direct by letter. The honorable member for

Melbourne also stated that I would not permit a sight entry to be passed without my direction. If that were so, I should be an abominable tyrant. It is said that I am an autocrat and a despot, and I have had many other similar names applied to me, but there is no truth in the statement to which I have referred. The Act provides that—

If the owner cannot immediately supply the full particulars for making an entry, and shall make a declaration to that effect before the collector, he may make a sight entry.

That is a provision within the four corners of the Act, and beyond that it is not necessary for me to go. The honorable member for Melbourne has also made a statement with regard to a little matter which has happened between us. He asked me to consolidate certain bonds. We had not been in the habit of consolidating bonds throughout the whole of the States, nor did we think it would be a good thing to do so as regards the whole of the Commonwealth. But what I assented to was that the bonds, as regards each particular State, should be consolidated, and the matter has gone on to the Crown Solicitor, in order that he may see that the bond is in proper form. What could I do more than that? Am I to draft these legal documents—am I to settle them myself?

Sir MALCOLM MCEACHARN.—The Minister is fond of doing so.

Mr. KINGSTON.—So I am, and it is a pity that I have not time to do so to a greater extent. Is it, however, right that I should be impeached after having agreed to the honorable member's request, and sent the papers through the proper channel for settlement? I recognise the difficulties of interpretation, and the inconvenience which often arises through the necessity for reference to head-quarters. But this is the way in which I look at the matter. Would honorable members prefer to have a uniform Tariff uniformly administered, or a uniform Tariff administered at the sweet will and pleasure of the various Collectors of Customs in all the States? A uniform Tariff would not be worth sixpence, unless it were uniformly administered. The most serious charge made against me is that in some cases one rule is being applied in Victoria, and another in New South Wales—and when that happens, I blush. The only way of obviating this is to make the

collectors report to me for the purpose of obtaining a decision that will enable a uniform practice to be followed. It is not desirable that we should go on in a miserable happy-go-lucky style, because unless the Tariff is uniformly administered it will not be worth the paper it is written on. At this moment we have in course of preparation—and hope that it will be completed simultaneously with the passing of the Tariff—a *Tariff Guide*, in which all the articles we can think of will be mentioned and classified alphabetically, so that they may be referred to without the slightest difficulty. Against each of these articles there will be an official interpretation as to the heading of the Tariff to which it belongs, and the duty payable upon it. I believe that we shall do well to issue a work of this kind, and when we do so, I hope that all the grumbling will disappear and that one wave of exultation will pass over the commercial community. I hope that this *Guide* will enable merchants to easily comply with the regulations to which they have hitherto found it difficult to conform. The book will be a handy and very desirable supplement to the legislation to which this House has devoted so many long days during this year and a portion of last year. A great deal has been said with reference to tea. I like tea, and I like to have it pure, and the public have a right to pure and good tea. In view of the provisions contained in the Act regarding the importation of tea, I should not be worthy of my position if I failed to strictly administer the law, and to haul before the courts those who infringe upon the right of the public to have good tea, and not Indian mud, charged for as if it were tea. I found some little time ago that different systems of administration were adopted in the various States in regard to tea—that one expert would pass tea as all right, whilst the expert in another State would reverse his decision. This was not satisfactory, and such a condition of affairs could not be allowed to exist in a united Australia. One flag, one tea standard. On the 26th September, I wrote a memorandum—I was, apparently, annoyed at the time—as follows:—

These constant variations between State experts are alarming and distressing.

(a) Let all the papers from Queensland be obtained at once. Wire for them.

(b) Let the opinion of Mr. Hake be obtained.

Mr. Kingston.

Sir MALCOLM McEACHARN.—Is Mr. Hake the expert of the department?

Mr. KINGSTON.—He has advised, and he is a very good expert, too. I wrote further—

(c) I wish to know both from Mr. Blackett and Mr. Hake if the presence of iron is altogether consistent with non-adulteration, or what it suggests.

(d) Report to me after obtaining opinions of State experts as to what standard for tea should be prescribed in customs regulations.

I asked the Comptroller of Customs, after consultation with the experts, to report to me as to what should be the standard for tea. I found, amongst other things, that the standard for tea, which was afterwards prescribed under the Act, had been in force in Queensland for seven or eight years.

Mr. CONROY.—That does not make it right.

Mr. KINGSTON.—No; but there is a good deal of evidence in its favour. The regulation reads as follows—

No teas imported into Queensland will be allowed to go into consumption which contain less than 30 per cent. of extract, 3 per cent. of soluble ash, calculated on the dry tea, 212° Fahrenheit, or more than 8 per cent. of total ash.

All the experts of Australia united in recommending the present standard, or something a little higher, and we adopted it on the recommendation of Mr. Blackett and of Mr. Hake.

Sir MALCOLM McEACHARN.—Will the Minister give us the figures for the “extract”?

Mr. KINGSTON.—I do not wish to debate the matter too closely. There is a case before the court now, and I am rather sorry that I should have been called upon to discuss this matter before it has been dealt with judicially. All I desire to do is to describe the circumstances that led us to adopt the present standard. It is lower than that which the Tasmanian and Western Australian experts suggested, and the circumstance which turned the scale and removed any doubt that I might have had in my mind was the fact that it was recommended by the British Society of Analysts, which includes amongst its members the official analysts to the health authorities of Great Britain. We took every trouble to arrive at a fair conclusion, and there was no alteration suggested until we stopped some tea from

passing into consumption. Then those who were interested in the tea began to make complaints. They wrote to me—not directly, but through a meeting—with the evident intention of bringing about a stoppage of the proceedings.

Mr. L. E. GROOM.—Was that in Victoria?

Mr. KINGSTON.—Yes. The meeting was held in Victoria.

Sir MALCOLM McEACHARN.—No proceedings had been taken in Victoria at that time.

Mr. KINGSTON.—I wrote a memorandum as follows :—

Have the provisions of section 54 been complied with? I wish a return of all the cases showing dates of shipment and of analysis, also results, and particularly if declared unwholesome, or unfit for human use, exhausted, or adulterated.

I was away from Melbourne shortly after this time; but the return was furnished, and when I read it I was angry, although I venture to consider that I retained full power to enable me to arrive at a judicial conclusion as to what should be done. I am not going to read the names of those concerned, but I intend to read some of the official reports which attracted my attention; they include cases besides those now under prosecution. Honorable members are aware that in this connexion the Act prescribes the process which shall be adopted. When tea is imported it is examined by the Customs tea expert. If he is dissatisfied with its quality, he sends it on to the analyst for report. I will read to honorable members some of the reports by the expert and others by the analyst. The first is one by the expert, who gives the following as his reason for sending the tea in question to the analyst—“Being mixed with substances other than tea.” In reference to this case the analyst reports—“Total ash exceeds 8 per cent. Unfit for human use according to regulation, section 54.” In the case of the second consignment, the reports from both the expert and the analyst are identical with those which I have just read. In the third instance, the reason given by the expert is “Decay having set in,” and the report of the analyst reads—“Contains rotten and decayed leaves. Complies with regulation, section 54.” Concerning the fourth case, the expert’s report is—“Being mixed with substances other than tea,” and the analyst states—

“Exhausted tea, total ash, 8·12 per cent.; insoluble ash, 4·48 per cent.; soluble ash, 3·64 per cent.; extract ash, 41·10 per cent. Does not comply with standard under regulation, section 54, and therefore unfit for human use.” In regard to another consignment, the report of the expert is—“Rotten and decayed leaf.” Concerning this case, the report of the analyst is—“Exhausted tea, not fit for human food. It contains old and decayed leaf, nauseous, and without aroma.” In another case the expert reports—“Rotten and decayed leaf,” and the analyst states—“Exhausted tea by decay and rottenness; gives a nauseous liquor and bad odour.” In still another instance the expert’s report is—“Being mixed with substances other than tea,” and concerning it the analyst states—“Contains magnetic oxide of iron and mineral matter, sand, &c. Very much mixed with other substances. Extract above 30 per cent. Not fit for human food.” When I saw reports of this kind, covering two full pages, I do not hesitate to say that I was angry.

Mr. BAMFORD.—Are those all Victorian cases?

Mr. KINGSTON.—They seem to be.

Mr. ISAACS.—Has no trouble been experienced in the other States?

Mr. KINGSTON.—There have been some cases in the other States.

Mr. ISAACS.—Of the same sort?

Mr. KINGSTON.—They are not so bad, it seems to me, as are the Victorian cases to which I have referred. Evidently some of the merchants who imported these teas were getting rotten and decayed stuff instead of pure and wholesome tea. Do honorable members know what is said in regard to some of this condemned tea? It is urged that the foreign substance is only mud, and in this connexion I say, let those responsible for it get rid of the mud before they bring the tea here. I have had a picture painted to me of a man standing over this tea fanning it. When he fans the tea in one direction, he leaves the rocks which it contains behind. It appears to me that this tea was intended to be subjected to a sort of dry-blowing process. When I read these reports I sat down and penned the following :—

I am disappointed to note that sections 51 and 54 have not, in some States, been more strictly enforced. No laxity in future to be permitted on any account.

I did not care who the persons involved were, and I added—

The papers in all cases up to date to be laid before the Crown Solicitor, with a view to prosecutions in all clear cases of shipments later than one month after the coming into force of the Customs Act 1901.

The matter went before the Crown Solicitor. He came to the conclusion that in those cases in which prosecutions have since taken place the law should be set in motion. I would be the last person to prevent him from taking action in this connexion. Only two days ago I had an interview with the Crown Solicitor, and I then put the question to him—"Are the cases clear?" and I received a reply from him in writing that they are. Under such circumstances, what is the duty of any man who desires to retain the respect of this House? It is said that I am blamable in that I allowed only a month in which persons might become acquainted with the law. But I do not feel that I was called upon to allow a longer period. The shipments of tea, in many of the cases to which reference has been made, come not from Calcutta, but from Colombo, which is much nearer to Australia than is Calcutta. Surely tea merchants, who boast large businesses, ought to study the provisions of the law in respect of their importations. If they fail to do so, let them stand the consequences, but let the public, at all hazards, be protected.

Question resolved in the negative.

SOUTH AUSTRALIAN DRILL INSTRUCTORS.

Mr. GLYNN asked the Treasurer, *upon notice*—

1. Whether the salaries of drill sergeants transferred from one State to another are "new expenditure," and, as such, payable by the Commonwealth?

2. If transferred expenditure, are the salaries debited to the State from which, or the State to which the men have been transferred?

3. Have the drill sergeants recently transferred to South Australia been enrolled under the South Australian Defence Forces Act of 1895?

Sir GEORGE TURNER.—This is a matter which the Acting Minister for Defence is investigating, and, therefore, I shall be glad if the honorable and learned member will allow his questions to stand over until next Tuesday, by which time we hope to be in possession of full information.

OFFICERS' COMMISSIONS.

Mr. CROUCH asked the Acting Minister for Defence, *upon notice*—

1. Were No. 99, R.S.M., B. Watts, and No. 324, Sergeant-Major H. O. Appleby, of the Fifth Victorian Mounted Rifles, appointed to the rank of lieutenant by South African Army Orders, published in general orders No. 85, of 30th September, 1901.

2. Has either of these gentlemen applied for their commissions and been refused; and, if so, on what grounds?

3. Has the Defence department refused in these or any other cases to give commissions to officers appointed in South Africa or on the field, and why?

4. Will the Defence department cause commissions to be issued to all officers (whatever their rank when they left Australia) who were promoted to officers' rank in South Africa?

Sir WILLIAM LYNE.—In reply to the honorable and learned member's questions I desire to state:—

1. Yes.

2. There is no record in the State head-quarters office of these gentlemen having applied for their commissions, and being refused.

3 and 4. The question of allowing those who were promoted in South Africa to retain their rank on return to the Commonwealth was considered, and it was decided by the Government, on the recommendation of the General Officer Commanding, that they should receive honorary rank.

OFFICERS IN THE NEW SOUTH WALES POSTAL DEPARTMENT.

Mr. WILKS asked the Minister representing the Postmaster-General, *upon notice*—

1. Is it a fact that Mr. E. H. Davies, of the professional division, G.P.O., Sydney, has received more rapid advancement in the electrical branch than any other junior officer of that branch during his eight years' service?

2. Is it a fact that another officer of the branch, now in receipt of a similar salary to Mr. Davies, has had over thirteen years' service?

3. Has such officer passed all the examinations passed by Mr. Davies, and does he, in addition, hold full technical college certificates for electrical and mechanical engineering, chemistry, fitting, and turning, and other subjects, and is he still graded in the clerical division?

3. Is it a fact that a cadet, at present in the branch, is in receipt of £80 per annum; is graded in the general division; and is the holder of full technical college certificate for electrical engineering—which Mr. Davies also competed for, and failed to obtain;

5. Does Mr. Davies hold the intermediate certificate?

6. Does the junior testing officer in the same grade as Mr. Davies hold a similar certificate to Mr. Davies?

Sir PHILIP FYSH.—The answers to the honorable member's questions are as follow :—

1. The only junior officer whose progress in the electricians' branch can be compared with that of Mr. Davies, is Mr. E. G. Hipsley, who, although he was previously employed for three years as a temporary clerk, was not appointed a cadet until 1st March, 1895, Mr. Davies having entered the department as a cadet on the 24th September, 1894. Since the latter date these officers have received promotion as follows :—

Mr. Hipsley, from—

£60 to £100 from 19th August, 1895.

£100 to £125, as junior testing officer, from 1st January, 1899.

£125 to £140 from 1st July, 1900.

£140 to £150 from 1st January, 1901.

Mr. Davies, from—

£39 to £52 from 1st April, 1895.

£52 to £70 from 1st July, 1896.

£70 to £100, as junior testing officer, from 1st January, 1899.

£100 to £115 from 1st July, 1900.

£115 to £140 from 1st January, 1901.

£140 to £150 from 1st January, 1902.

2. Yes ; but the officer who, presumably, is referred to, Mr. J. T. W. Green, is a clerk, and was not appointed to the electricians' branch until May, 1900.

3. Officers are not required by the regulations to pass any of the examinations referred to, but it has been ascertained that Mr. Green has passed most, though not all, of the examinations passed by Mr. Davies, as well as the other examinations mentioned in the questions, with the exception of mechanical engineering. Mr. Green is still graded in the clerical division.

4. There are two cadets in the electricians' branch, Mr. J. F. O'Rielly, who is in receipt of £80 per annum, and is graded in the professional division, and Mr. J. R. Campbell, whose salary is £84 per annum, and who is graded in the general division. The former has passed the examination prescribed by the regulations for admission to the professional division, while the latter has not. Mr. Campbell states that he passed the technical college examination in electrical engineering last year. Mr. Davies did not attend this examination, but failed at a similar one held during the previous year.

5. Mr. Davies holds the intermediate certificate for electricity and magnetism, but not for electrical engineering.

6. Yes.

ROYAL COMMISSIONS BILL.

Bill read a third time.

POST AND TELEGRAPH RATES BILL.

In Committee (Consideration resumed from 21st August, *vide* page 15225) :

Mr. KIRWAN (Kalgoorlie).—I move—

That the following new clause be inserted :—
“ The rates for the conveyance of letters posted within the Commonwealth shall be as set out in the Third Schedule to this Act.”

This clause, if carried with the schedule, will have far-reaching and important effects. Irrespective of what the postal rate on letters shall be, a great many honorable members agree that this Bill should deal with the matter of letter postage. The Bill fixes post and telegraph rates, and rates for newspapers, but makes no reference to letters ; and I think that in reference to the latter, some uniform system ought to be applied throughout the Commonwealth. If the schedule be agreed to, the clause will introduce into the Commonwealth the system of penny postage. I understand that the objections to that system are mainly financial ; and I propose to show that where it has been established within the British Empire, and in other countries, it has never been productive of the heavy loss here anticipated, any deficiencies being of a temporary character. In regard to the Commonwealth, I believe that any estimate so far made as to the likely loss is considerably beyond what would prove to be the case. Penny postage was introduced into Great Britain in 1840, and the increase in the postal business was very considerable, the number of letters in one year increasing from 82,000,000 to 169,000,000. But with that increase in the volume of business, there was a very considerable decrease in the revenue. The latter was very alarming, but it was not sufficient to frighten the postal authorities, and results have shown that they acted wisely. In the first year the revenue fell from £1,600,000 to about £500,000 ; but the decrease in the rate was considerably greater than that which would be experienced in connexion with penny postage in the Commonwealth. Prior to 1840, the lowest rate in the British Isles was 2d., and that was applicable only to places within eight miles of each other, being virtually a suburban rate. The rate to other parts of Great Britain was 4d., so that the introduction of penny postage meant a considerable drop. In the Commonwealth, however, penny postage is very common. It is already established in Victoria, and in a modified form is in existence in almost every State. Penny postage prevails in the big cities and suburbs of New South Wales, Queensland, and Western Australia ; and the change I propose is not very radical. I may be told that it is hardly fair to draw an analogy between the system in its operation in the British

Isles, and the system in its operation in the Commonwealth—that the British Isles are a thickly populated country, of short distances, whereas the Commonwealth is a country of great distances and sparse settlement. It must be remembered, however, that the British Isles of 40 years ago were very different from the British Isles of to-day. There is more analogy between the British Isles of 40 years ago and the Commonwealth of to-day, than there is between the British Isles of to-day and the Commonwealth of to-day. Sixty years ago distance was not annihilated to the extent it has been since, and journeys which now occupy a few hours then took many days; so that, in the matter of expensive communication, the analogy between the British Isles of that day and the Commonwealth of to-day is not very remote. Then we have an example in the sister Federation of Canada, where a penny postage was introduced in 1898. According to the *Statistical Year Book* of the Dominion, the number of letters posted in 1897 was 123,000,000; in 1898 it was 134,000,000; in 1899 it was 150,000,000; in 1900 it was 178,000,000; and in 1901 it was 191,000,000. The number of letters per head posted in Canada prior to the introduction of penny postage was 24·8, and in the following year it was 28·59; in 1900 it was 33·50, and in 1901 it was 35·57. The Deputy Postmaster-General of Canada, in a report dated Ottawa, June 30th, 1899, gives some information as to the operation of the penny postage in the year 1898-9. The report states:—

On December 25th, 1898, as a result of the conference of representatives of various portions of the British Empire, held in London, beginning on June 25th, 1898, to deal with the subject of reduced postage within the Empire, the rate for letter postage between Canada and the mother country and various other portions of the Empire was reduced from 5 cents to 2 cents per half ounce. This important change has been marked by a greatly increased correspondence between Canada and the United Kingdom.

That report was written six months after the establishment of penny postage, and, therefore, does not go into the details of the financial aspect. The report further refers to domestic penny postage, that is, penny postage within the Dominion of Canada.

On 1st January, 1899, the letter rate within Canada was reduced from 3 to 2 cents per oz. This change has been accompanied by such a marked and continuous increase in the number of domestic letters being transmitted through the

mails as to warrant the conclusion that the loss of revenue consequent on such reduction will soon be overcome.

In the report for the year 1899-1900, when the penny postage system had been in operation for more than twelve months, the Deputy Postmaster of Canada says—

In the matter of postal revenue, it is to be remembered that the year in question was the first during the whole of which the reduction of domestic postage from 3 cents to 2 cents per oz. and of the inter-imperial postage from 5 cents to 2 cents per half oz. had effect, the higher rates having prevailed during the first half of the year ended June 30, 1899. Comparing the revenue from the sale of postage stamps, post cards, &c., it is found that the revenue for the year ended June 30, 1900, falls short by something less than 53,000 dollars, the total amount derived from the same source in the previous year indicating what other figures equally show, a marked increase in the number of letters posted. The total net revenue of the Post-office from all sources, except that from the Yukon and Atlin districts, exceeded that of the previous year by \$1,053·25, and the total gross revenue exceeded that of the previous year by \$20,391·09. On the other hand, the expenditure of the department, omitting from the comparison the special expenses incurred in the Yukon and Atlin districts, exceeded that of the previous year by \$63,797·33, the excess being distributed somewhat evenly over the larger items of Post-office expenditure. It appears, therefore, that a considerably larger volume of postal business, sufficient to nearly balance the loss arising during the first half of the year, as compared with the corresponding period of the previous year, from the reduction of postage, was handled at an increased expense of slightly over 1½ per cent.

Therefore the loss through the adoption of the penny postage system in Canada was, roughly speaking, about £10,000. But we have another example which in some respects is still more valuable—that of New Zealand. New Zealand adopted the universal penny postage system in March 1901; but it is a curious thing that whilst, until very lately, a person residing there could post letters to distant countries, such as Chili, and most of the South American States, Italy, Canada, and any part of the British Isles, the postage to Australia was 2d., and, even now, although letters can be sent from New Zealand to Australia for 1d. the postage from Australia to New Zealand is 2d. Surely an arrangement like that is not likely to promote friendly feeling and advantageous commercial relations between the Commonwealth and New Zealand. The latest report of the New Zealand Post and Telegraph department shows that the loss through the adoption of the system has been much less than was anticipated.

Prior to the adoption of the system it was estimated that the loss would be something like £80,000 a year, but during the first twelve months which followed its introduction it was not more than 35,000. The report states—

The results of the year are probably the most noteworthy in the history of the department. Notwithstanding the introduction of penny postage, the gross revenue, which might have been expected to show a serious drop, is only less by £15,262 than for the previous year. The postal receipts, instead of being much below those of 1900, as might have been anticipated, have reached within £35,761 of the 1900 figures. . . . That the penny post, which involved the handling of close upon 13,000,000 additional letters, has been successfully introduced and carried on, while the increased expenditure for postal salaries is only £6,468, may fairly be credited to careful management. As, however, the reserve capacity of the postal staff at many of the second and third-class offices is probably near exhaustion, further increase in the volume of work will prove to be more costly in proportion than that already overtaken, and an increased expenditure on that account may be looked for. . . . The loss on the penny post for the first year has been below anticipations. Instead of a loss of £80,000, as originally estimated, the actual loss may be put down at about £34,000. The enormous increase of mail matter for the year, including nearly 13,000,000 additional letters dealt with, mainly the result of the penny post, was unprecedented, but it was handled without hitch of any kind. . . . The one defect in the original scheme, owing to the inability of Australia to respond to the invitation of this colony to enter either into a reciprocal agreement or one under which our letters prepaid at 1d. might be accepted and delivered without surcharge, was removed by the adoption, at the suggestion of the Postmaster-General, of the latter arrangement as from the 28th April last. It is hoped that the time is near when the Commonwealth will be in a position to enter into a fully reciprocal agreement.

I think that that wish will be echoed by the people of Australia. It is stated in the newspapers to-day that the loss which would be incurred by the Commonwealth, through the adoption of the universal penny postage system here, would amount to something like £300,000; but I should like to know how that extraordinary estimate is made up. The loss which has occurred in Victoria is not, proportionately, anything like so great. The Treasurer, when asked by the honorable member for North Sydney a short time ago what was the revenue of the Post and Telegraph department of Victoria for the twelve months immediately prior to federation, said that it was approximately £600,000, and that the revenue of the department for the twelve months ended 30th June last was

588,198, a difference of £11,802, which must be taken to be the actual diminution of revenue caused by the adoption of the penny postage system. If the loss had been anything like so great as some people would have us believe, the difference between the returns would be much greater.

Mr. CROUCH.—Does the honorable member allow for the general progress of the community.

Mr. KIRWAN.—I have simply taken the difference between the revenue for the year immediately prior to the adoption of the system, and that for the year subsequent to its adoption. The New Zealand loss is calculated in exactly the same way.

Mr. GLYNN.—But while the difference in revenue is, as the honorable member has shown, £11,802 the Treasurer has stated that the actual loss caused by the Victorian State legislation was £50,000.

Mr. CROUCH.—An increase in the quantity of mail matter must necessitate an increase in the number of men employed.

Mr. KIRWAN.—I do not think that the change of system in Victoria necessitated any great increase in the number of men employed. I would point out that the loss in Victoria has probably been greater than the loss in the other States would be, because, whereas Victoria formerly had a general rate of 2d., most of the other States have penny rates within their metropolitan areas, and in many country centres as well. According to a statement prepared by the secretary to the central administration of the Postal department of the Commonwealth, there has been a deficit of £46,243 in the administration of that department; but in the case of Victoria there is a credit balance of £14,389, in the case of New South Wales a credit balance of about £50,000, and in the case of South Australia a credit balance of about £23,000. Those credit balances would, I am sure, be more than sufficient to cover any loss which might be occasioned by the adoption of penny postage. Debit balances occurred in Queensland, Western Australia, and Tasmania. Western Australia had a debit balance of £31,000, but that State is in such a good financial position otherwise that it could well afford to meet a larger loss in order to secure the benefits of penny postage. In Queensland there is the large debit of £101,803, whilst Tasmania has a deficiency of £5,804. If, however, we are to wait

until all the States show a credit balance in connexion with the Postal department, I am afraid that we may have to defer the reform for a very long time. Owing to the great extent of the Commonwealth, and the varying conditions which prevail in the States, it will be difficult to fix upon any particular time at which all the States will be in a position to show a credit balance. In view of the slight loss occasioned in those countries where penny postage has already been established, and bearing in mind, also, that the loss incurred has been much less than was first estimated, and has proved to be of a merely temporary character, honorable members must come to the conclusion that the time has arrived when we should extend this additional facility to the public. Federation has conferred no direct benefits upon the general public beyond the establishment of Inter-State free-trade, but the introduction of the penny postage would extend an advantage which would be generally appreciated as one resulting from the national union.

Mr. JOSEPH COOK (Parramatta).—I indicated my view upon this question very clearly a few nights ago, and I intend to support the honorable member in his proposal to establish a penny postage system throughout Australia. I think that the present is an appropriate time to make this change, and I fear that if we abstain from introducing the reform now, a full decade will pass before we shall have another favorable opportunity. It is urged on behalf of the postal authorities that the department is making a loss, and that the ledger should be made to balance before any reform, such as that now suggested, is introduced. In reply to that statement, I would point out that although Canada makes a loss upon her postal service at present, her deficiency has been smaller since the introduction of penny postage. There has always been a large loss upon the postal service of the Dominion, which is apparently not run with the idea of making a profit, or of even balancing the ledger. Therefore, the objection raised by the postal authorities loses all point. It does not necessarily follow that the introduction of the penny postage system will make it more difficult to balance the ledger than if matters are allowed to remain as at present. All the information available points to the fact that the introduction of the penny postage

system would not involve any great loss. The experience of Victoria, perhaps, affords a better guide than that of Canada. It is shown that the first year's operations after the penny postage was introduced in Victoria, resulted in a loss of only £11,000, plus a small increase in the cost of working.

Sir PHILIP Fysh.—There was a difference between revenue and expenditure, of £11,000, but the total loss incurred by the introduction of the penny postage system was £50,000.

Mr. JOSEPH COOK.—If the difference was made up by the receipts from telegrams, we shall have an excellent reason for reducing the telegraphic rates. At present Australia is the only country in the Empire which has not adopted the penny postage system, and we should not hesitate to make the proposed change in order to bring our arrangements into line with those of Great Britain and her dependencies. The only argument advanced against the introduction of an international penny postage was the fact that we levied a 2d. rate upon letters posted within our own borders. It was argued that if we carried letters from London into the interior parts of Australia for 1d., the public would have a right to complain of the charge of 2d. upon letters conveyed from one part of Australia to another. We should do our best at the first opportunity to remove this obstacle in the way of the establishment of an international penny post. England has the penny postage system, and India, Canada, Cape Colony, Ceylon, Gibraltar, Jamaica, Natal, the Orange River Colony, and the Transvaal all enjoy the advantages of this great concession to the general public. New Zealand led the way in this direction. Notwithstanding that she loses a little in consequence of the introduction of penny postage she has so liberalized her postal conditions all round, that she makes a handsome profit out of the service. Our Post-office department will gain in many directions by the proposed reduction. I find that in Canada, since the introduction of penny postage, there has been a marked decrease in the number of post-cards despatched. Many people who can send a letter at the cost of a penny discontinue the use of post-cards, even though their cost is reduced to a halfpenny. There has also been the notable increase of 25 per cent. in the number of registered letters.

It is in these directions that the revenue is compensated by the increase of facilities extended to the public. If the Victorian returns were examined in the same way, it would probably be found that the actual loss resulting from the introduction of penny postage has been very small indeed. Even if there has been a small loss, I still contend that this would be the most opportune time for conferring some tangible benefit upon the people of the union—a benefit which was distinctly promised to them prior to the inauguration of our federation. The chief aim of the Postmaster-General seems to be to square off his balance-sheet, but the only result of his operations is to hamper and restrict the trading community. Now is the time to bring our postal system into line with those of countries whose official records show careers of great distinction and success. We need not fear the initial loss. If there be any, it will be rapidly made up to us. I do not believe that there is any analogy between Victoria and New South Wales, and I cannot believe that any loss whatever will be incurred in New South Wales by reason of the proposed change. Fully half the letters posted in New South Wales are forwarded in the city and suburbs at the penny rate. This practice did not prevail in Victoria prior to the introduction of the general penny postage in that State. In addition to the suburban penny postage system, we have all over the country thirteen-mile radii within which penny-postage rates prevail. In one instance, within my own electorate, letters can be sent 30 miles on the railway line to places within the thirteen-mile radius. The penny rate applies to a large number of our country towns, and it would be a good thing for us to abolish all irritating boundaries which now lead to a good deal of trouble. The loss involved would be very small indeed. In some of the other States the penny postage is charged within certain areas. If that be the case we shall be able to adjust matters very much more easily than have the people of Victoria. I cannot reconcile myself to the belief that in making the change the Commonwealth would suffer any loss worth considering. I know the nature of the Estimates which are compiled in the Postal department. They constitute the veriest guess-work, and surely we are just as well able to guess as are the officers of that department. I will undertake to

say that there is not an official in the whole postal service of Australia who, if asked the basis upon which this calculation was made, could give a satisfactory answer. He would have to confess that it was based upon mere guess-work. One of the ablest officers in the department used frankly to make that avowal. Therefore I disregard these Estimates, which are of a conservative character—as perhaps they ought to be, seeing that they emanate only from officials who are not responsible. I hold that in this matter the Ministry should accept all responsibility. These Estimates are intended rather to guide than to control a Minister. Wherever the latter sees good commercial and substantial reasons for departing from them—reasons which affect our relations with the whole Empire—he ought to set them completely aside and exercise his own common sense. Every one of the Estimates which have been made regarding the loss which would accrue consequent upon the adoption of the penny postage system has been woefully belied by the operation of that system. It was so in Canada and New Zealand. In no case has the decreased revenue, which it was predicted would result from the proposed change, been realized. Notwithstanding the lugubrious-looking Estimates which the Minister representing the Postmaster-General has in his possession, and which I apprehend he will shortly submit to the committee as the opinion of experts, I hold that we ought to make the change, believing that we are as well able to guess the probable postal revenue as are the officials of that department, who know nothing about the commercial operations of the country. I trust that the committee will agree to the proposal of the honorable member for Kalgoorlie. Now is the time when we ought to make the innovation. It is an innovation which will be fraught with the greatest good to Australia. It would constitute a Commonwealth gift to the people, which they would highly appreciate, and would represent the only material advantage which so far has accrued to them from the federation of these States.

Sir PHILIP FYSH (Tasmania).—Before any other honorable member commits himself to this proposal, I think that it is my duty to call attention to the figures supplied to me by the Postal department, and to allow the committee to judge whether they are conservative—

until all the States show a credit balance in connexion with the Postal department, I am afraid that we may have to defer the reform for a very long time. Owing to the great extent of the Commonwealth, and the varying conditions which prevail in the States, it will be difficult to fix upon any particular time at which all the States will be in a position to show a credit balance. In view of the slight loss occasioned in those countries where penny postage has already been established, and bearing in mind, also, that the loss incurred has been much less than was first estimated, and has proved to be of a merely temporary character, honorable members must come to the conclusion that the time has arrived when we should extend this additional facility to the public. Federation has conferred no direct benefits upon the general public beyond the establishment of Inter-State free-trade, but the introduction of the penny postage would extend an advantage which would be generally appreciated as one resulting from the national union.

Mr. JOSEPH COOK (Parramatta).—I indicated my view upon this question very clearly a few nights ago, and I intend to support the honorable member in his proposal to establish a penny postage system throughout Australia. I think that the present is an appropriate time to make this change, and I fear that if we abstain from introducing the reform now, a full decade will pass before we shall have another favorable opportunity. It is urged on behalf of the postal authorities that the department is making a loss, and that the ledger should be made to balance before any reform, such as that now suggested, is introduced. In reply to that statement, I would point out that although Canada makes a loss upon her postal service at present, her deficiency has been smaller since the introduction of penny postage. There has always been a large loss upon the postal service of the Dominion, which is apparently not run with the idea of making a profit, or of even balancing the ledger. Therefore, the objection raised by the postal authorities loses all point. It does not necessarily follow that the introduction of the penny postage system will make it more difficult to balance the ledger than if matters are allowed to remain as at present. All the information available points to the fact that the introduction of the penny postage

system would not involve any great loss. The experience of Victoria, perhaps, affords a better guide than that of Canada. It is shown that the first year's operations after the penny postage was introduced in Victoria, resulted in a loss of only £11,000, plus a small increase in the cost of working.

Sir PHILIP Fysh.—There was a difference between revenue and expenditure, of £11,000, but the total loss incurred by the introduction of the penny postage system was £50,000.

Mr. JOSEPH COOK.—If the difference was made up by the receipts from telegrams, we shall have an excellent reason for reducing the telegraphic rates. At present Australia is the only country in the Empire which has not adopted the penny postage system, and we should not hesitate to make the proposed change in order to bring our arrangements into line with those of Great Britain and her dependencies. The only argument advanced against the introduction of an international penny postage was the fact that we levied a 2d. rate upon letters posted within our own borders. It was argued that if we carried letters from London into the interior parts of Australia for 1d., the public would have a right to complain of the charge of 2d. upon letters conveyed from one part of Australia to another. We should do our best at the first opportunity to remove this obstacle in the way of the establishment of an international penny post. England has the penny postage system, and India, Canada, Cape Colony, Ceylon, Gibraltar, Jamaica, Natal, the Orange River Colony, and the Transvaal all enjoy the advantages of this great concession to the general public. New Zealand led the way in this direction. Notwithstanding that she loses a little in consequence of the introduction of penny postage she has so liberalized her postal conditions all round, that she makes a handsome profit out of the service. Our Post-office department will gain in many directions by the proposed reduction. I find that in Canada, since the introduction of penny postage, there has been a marked decrease in the number of post-cards despatched. Many people who can send a letter at the cost of a penny discontinue the use of post-cards, even though their cost is reduced to a halfpenny. There has also been the notable increase of 25 per cent. in the number of registered letters.

I should like to see uniform postage and telegraph rates. Moreover, I want to see a uniform postage rate enforced throughout the Empire. I think that a mistake has been made in allowing New Zealand letters to be sent to Australia for a postage of 1d., while a postage of 2d. is charged upon letters sent from Australia to New Zealand.

Sir PHILIP FYSH.—It was a matter of compact. There was a give-and-take element in the arrangement.

Mr. CROUCH.—In my opinion, New Zealand has obtained all the advantages of the arrangement.

Sir PHILIP FYSH.—New Zealand gave us certain advantages in connexion with terminal telegraph rates.

Mr. CROUCH.—In any case, I think it is a great pity that such an anomaly should exist, and I feel that the Postmaster-General has not acted wisely in the matter. I would point out that a man in the permanent military forces, or a sailor in the Imperial Navy stationed anywhere in Australia, can send his letters throughout Australia and to any part of the world for a postage of 1d. No inconvenience has been caused by that arrangement, and I fail to see why this special rate which is allowed to part of our population should not be extended to the whole of the community. But the chief reason why I favour a uniform penny postage for the Commonwealth is this:—There has been a great outcry against federation, because people cannot at once see all the advantages which we hope will come from it. Of course, they are benefiting at the present time by the removal of the Inter-State customs duties, and are receiving other indirect benefits which they do not recognise very readily; but I feel that it would be to the advantage of federation to stimulate the feeling of unity by bringing into prominence an immediate and visible benefit which the people will see is to be attributed to our union. If we introduced a uniform penny postage for the Commonwealth, men would at once recognise it as a benefit derived from federation. It is what a man sees that he appreciates, and he thinks most of the advantages which he can grasp for himself. Such tangible benefits are worth much more, to his mind, than intangible benefits which may accrue five years hence. For this reason, therefore, I think that a large sum of money, and even as

large an amount as the estimate of loss which has been framed by the Minister, might well be expended in extending the penny postage system to the whole Commonwealth.

Mr. McCAY (Corinella).—Although I have every desire to facilitate communication between the various parts of the Commonwealth, it seems to me that in the present state of our finances, and of the finances of the States, we must consider first how the adoption of the penny postage system would affect the Treasury. I am not concerned as to whether the Estimates of the Postmaster-General are or are not absolutely correct. If the probable loss was set down at £150,000, which is only half the amount estimated, I should still be of the opinion that it is undesirable to make a change. I think that we cannot get away from the position that if the postal service is carried on at a loss; that is to say, if its total revenue is less than its total expenditure, the deficit must be made up by the contributions of the whole community. That means that those who write few letters must contribute to make good the loss caused by conferring a benefit upon those who write many letters. In this way the farmer, the miner, and the producer generally will be called upon to pay for advantages conferred upon those engaged in distributing and exchanging businesses. The people who perhaps write one letter a week will have to pay for benefits conferred upon the large financial and mercantile institutions, and upon all whose correspondence is large. The actual result of adopting penny postage is to a certain extent a matter of guess-work, but we cannot shut our eyes to the data at our disposal, and assume that it will be something quite different from a reasonable estimate based upon that data. If we halve our postage rates, we decrease our revenue by one-half, and at the same time, by adding to the mail matter to be carried, probably increase our expenditure.

Mr. JOSEPH COOK.—In adopting a uniform penny postage for the Commonwealth, we should not have to halve the existing rates.

Mr. McCAY.—I am aware that there is already a penny postage throughout Victoria, but the adoption of that system has resulted in a loss to the State, which it is no more able than any other to bear. In New South Wales there is both a penny

until all the States show a credit balance in connexion with the Postal department, I am afraid that we may have to defer the reform for a very long time. Owing to the great extent of the Commonwealth, and the varying conditions which prevail in the States, it will be difficult to fix upon any particular time at which all the States will be in a position to show a credit balance. In view of the slight loss occasioned in those countries where penny postage has already been established, and bearing in mind, also, that the loss incurred has been much less than was first estimated, and has proved to be of a merely temporary character, honorable members must come to the conclusion that the time has arrived when we should extend this additional facility to the public. Federation has conferred no direct benefits upon the general public beyond the establishment of Inter-State free-trade, but the introduction of the penny postage would extend an advantage which would be generally appreciated as one resulting from the national union.

Mr. JOSEPH COOK (Parramatta).—I indicated my view upon this question very clearly a few nights ago, and I intend to support the honorable member in his proposal to establish a penny postage system throughout Australia. I think that the present is an appropriate time to make this change, and I fear that if we abstain from introducing the reform now, a full decade will pass before we shall have another favorable opportunity. It is urged on behalf of the postal authorities that the department is making a loss, and that the ledger should be made to balance before any reform, such as that now suggested, is introduced. In reply to that statement, I would point out that although Canada makes a loss upon her postal service at present, her deficiency has been smaller since the introduction of penny postage. There has always been a large loss upon the postal service of the Dominion, which is apparently not run with the idea of making a profit, or of even balancing the ledger. Therefore, the objection raised by the postal authorities loses all point. It does not necessarily follow that the introduction of the penny postage system will make it more difficult to balance the ledger than if matters are allowed to remain as at present. All the information available points to the fact that the introduction of the penny postage

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that he estimated it at £50,000, which was evidently the calculation made by the officers of the department. What is the experience of the actual working of the system? For the year ended March, 1901, the net receipts from the Victorian Postal department were 688,290, whilst for the succeeding twelve months they were £640,179—a deficiency of 48,111. Some honorable members appear to think that this sum of £48,000 would confer upon the public an opportunity of obtaining cheaper telegrams, without sustaining further loss. But it so happens that the extra amount received from stamps for telegraphic purposes during the period mentioned, was only £2,000. Were it not for that additional sum, there would have been a total loss of £50,111. That is the actual experience of Victoria.

Mr. JOSEPH COOK.—How is the loss made up?

Sir PHILIP FYSH.—This report does not go into that question. It simply states what the revenue was under the higher postage rate, and what it has been under the lower rate.

Mr. JOSEPH COOK.—How is the loss reduced to 11,000?

Sir PHILIP FYSH.—That is a matter upon which I have no information. My purpose was to obtain figures which would fairly represent the difference between the revenue received by Victoria under the lower and the higher rates. As a business man I think that was the proper course to take. Surely this is not a question of the conservative reports of officers or of any man's opinion. The £11,000 is only the difference between the actual revenue and the expenditure for the year in the Post and Telegraph department. In placing the comparison before me, the officer made the significant remark that during all this period the Postal service was largely inflated by reason of the Royal visit. Although the honorable member for Parramatta has described this as a conservative estimate, it turns out to be a reasonable estimate.

Mr. JOSEPH COOK.—Does the officer say anything about the drought?

Sir PHILIP FYSH.—No.

Mr. JOSEPH COOK.—He has prepared an estimate for the case.

Sir PHILIP FYSH.—That is not the way in which officers prepare estimates.

This estimate was prepared for the honorable member for Indi, who had some doubt as to the difference in the revenue from the two sources, and I think it is as reliable a return as the committee could possibly have.

Sir WILLIAM McMILLAN.—Is the inference that the cost to New South Wales will be £40,000?

Sir PHILIP FYSH.—The cost to Victoria will be about £50,000, and it seems to me that the loss to New South Wales will be larger. It appears as simple as a rule-of-three sum. If we are all equally business-like and enterprising, and New South Wales has a greater population by 200,000, the loss to that State must be proportionately larger.

Mr. JOSEPH COOK.—The conditions are not the same.

Sir PHILIP FYSH.—Whether or not the conditions be the same, we find in connexion with the Post and Telegraph service, a great average of circumstances. I am not here to deprecate what may have been a proper course for New South Wales when she was *solus*. I am here to speak of Queensland, Western Australia, and Tasmania—none of which States at the present time can afford the luxury of testing the system. The question was discussed at the conference of Deputy Postmasters-General held in Sydney about a year ago, and the report then issued bears the name of Sir Charles Todd and other permanent heads, whose experience and long service should inspire confidence. Ministers call for reports from the permanent heads of departments, and then form their own estimates; and I invite the committee to take that course in connexion with the report of the Deputy Postmasters-General.

Mr. KIRWAN.—Penny postage has always been established, in spite of the officials.

Sir PHILIP FYSH.—No doubt, supply might sometimes create demand; and, in course of time, though it must be a very long time, we might overtake the present revenue with the lower rate. The Postmaster-General's department, on the question of penny postage throughout Australia, arrived at a conclusion somewhat different from that I should have expected. Associated with the question was that of universal penny postage, but they gave their first attention to the system as applied to the Commonwealth, and estimated that its adoption would mean a loss to New South

as the honorable member for Parramatta suggests—or whether the officers who have been so long associated with the department are capable of arriving at something like an accurate conclusion. But before I deal with those figures, and correct any misapprehension which may have resulted from the fact that the adoption of the penny postage system in Victoria caused a loss of only £11,000, I should like to follow the arguments adduced by the honorable member for Kalgoorlie. To me it is apparent that some members of the committee intend to take advantage of this important proposal only to indulge in an academic discussion. The question of penny postage has been “in the air” for many years, and we have all followed with a lively interest the work of Mr. Henniker Heaton in securing the adoption of the system between Great Britain and many of her dependencies. So far, we have not been able to adopt that system here, although we may have been jealous of the privileges enjoyed by others. But, looking at this question from a practical stand-point, I fear that we cannot follow the lead of the honorable member for Kalgoorlie, who assumes that because the results of Rowland Hill’s penny postage system, which dates from 1840, were to confer enormous benefits upon Great Britain, to secure to her people rapid communication, and a largely increased revenue, the same results would accrue here. We have to bear in mind that the period which has elapsed since 1840, and which covers the reign of our late Queen, was one which marked the greatest measure of progress that has yet been experienced by any nation. When Rowland Hill ultimately induced the British Parliament to agree to the penny postage system, the volume of the trade of Great Britain was less than £200,000,000—something like the trade which has already been established in Australia. But since that time the trade of Great Britain has increased until it has now reached the annual value of £700,000,000. That fact of itself is sufficient to show that large and important developments must have taken place—developments which are not due to penny postage, but from which the postal system has secured very important advantages. In Australia, however, we have to deal with a different state of affairs. In this connexion I find that New Zealand waited until the end of 1900

Sir Philip Fysh.

when she had the large surplus of £85,000 before she adopted this system. Similarly if New South Wales at the present moment occupied the position which she held prior to federation, the argument of the honorable member for Parramatta would be a sound one. But it has already been pointed out by the honorable member for Kalgoorlie that while last year New South Wales derived a profit from her postal department of £80,000, Queensland had a deficiency of £102,000, Western Australia of £30,000, and Tasmania of £6,000. I am not sure whether the surplus in New Zealand covered interest upon the cost of the construction of the lines there, but I am inclined to think that it did not. At any rate that colony had a surplus revenue of £85,000 before it adopted the penny postage system. But in the very first year of the operation of that system, I understand that the surplus was reduced by £30,000 or £40,000.

Sir WILLIAM McMILLAN.—Was that entirely due to the adoption of the penny postage?

Sir PHILIP FYSH.—I am disposed to think that there may have been other circumstances which contributed to that result, and therefore I propose to compare the conditions of that colony with those which obtained in Victoria. That brings me to the question of estimates made by responsible officers. We have heard from the honorable member for Parramatta that those gentlemen very properly take a conservative view in this connexion. Fortunately, I am able to meet his contention. I hope to be able to put before the committee figures which, irrespective of whether or not they are conservative have certainly been borne out by actual experience in Victoria. The honorable member for Kalgoorlie declared that the result of the operation of the penny postage system in Victoria was a loss of about £11,000 a year despite the prediction that it would total £50,000. But we must not gauge the system in that way. I have in my hand a report which has been specially prepared by the accountant in the Melbourne General Post-office in anticipation of this matter being brought before the committee. From it I gather that the loss which it was predicted that Victoria would sustain by reason of the introduction of penny postage was variously stated at from £40,000 to £80,000. The Treasurer has informed me

that he estimated it at £50,000, which was evidently the calculation made by the officers of the department. What is the experience of the actual working of the system? For the year ended March, 1901, the net receipts from the Victorian Postal department were 688,290, whilst for the succeeding twelve months they were £640,179—a deficiency of 48,111. Some honorable members appear to think that this sum of £48,000 would confer upon the public an opportunity of obtaining cheaper telegrams, without sustaining further loss. But it so happens that the extra amount received from stamps for telegraphic purposes during the period mentioned, was only £2,000. Were it not for that additional sum, there would have been a total loss of £50,111. That is the actual experience of Victoria.

Mr. JOSEPH COOK.—How is the loss made up?

Sir PHILIP FYSH.—This report does not go into that question. It simply states what the revenue was under the higher postage rate, and what it has been under the lower rate.

Mr. JOSEPH COOK.—How is the loss reduced to 11,000?

Sir PHILIP FYSH.—That is a matter upon which I have no information. My purpose was to obtain figures which would fairly represent the difference between the revenue received by Victoria under the lower and the higher rates. As a business man I think that was the proper course to take. Surely this is not a question of the conservative reports of officers or of any man's opinion. The £11,000 is only the difference between the actual revenue and the expenditure for the year in the Post and Telegraph department. In placing the comparison before me, the officer made the significant remark that during all this period the Postal service was largely inflated by reason of the Royal visit. Although the honorable member for Parramatta has described this as a conservative estimate, it turns out to be a reasonable estimate.

Mr. JOSEPH COOK.—Does the officer say anything about the drought?

Sir PHILIP FYSH.—No.

Mr. JOSEPH COOK.—He has prepared an estimate for the case.

Sir PHILIP FYSH.—That is not the way in which officers prepare estimates.

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Wales of £83,000; to Victoria, a loss of £55,000, or as nearly as possible what the actual loss proved; to Queensland, a loss of £58,886; to South Australia, a loss of £40,000; to Western Australia, a loss of £34,200; and to Tasmania, a loss of £24,500.

Mr. JOSEPH COOK.—It is absolutely impossible there should be such big losses in New South Wales and Victoria.

Sir PHILIP FYSH.—Of course, much may depend on the proportionate number of letters which are at present carried at the lower rate in the cities and suburbs.

Mr. JOSEPH COOK.—Did the Deputy Postmasters-General furnish any data on which their report was based?

Sir PHILIP FYSH.—No.

Mr. JOSEPH COOK.—Then their estimates are mere guesses.

Sir PHILIP FYSH.—The total estimated loss is £295,586, though I am glad to say that the adoption of universal penny postage throughout the British Empire would mean an additional loss of only £20,924. If the proposal of the honorable member for Kalgoorlie is agreed to, it will at once necessitate the adoption of the system in connexion with the rest of the Empire; because, if we can afford to lose £295,000, we can afford to lose the additional £21,000. New Zealand and many of the States, in which there were surpluses, might, when standing alone, adopt penny postage; but the position in the Commonwealth is different. We have to bear in mind not what can be afforded by Victoria or New South Wales, but what can be afforded during the bookkeeping period by the smaller States, which represent nearly one-third of the population. By the adoption of penny postage, we should place Tasmania in the unhappy position of losing £25,000, and cause a deficiency under this head of £58,000 in Queensland. I presume that the clause means the adoption of the schedule, and I am afraid that that would cause distrust and distress in many of the States. I trust the committee will very seriously consider the proposal of the honorable member for Kalgoorlie before they agree to it. Penny postage will probably remain "in the air" until the bookkeeping period is over, and the Postmaster-General has ascertained the effects of his present proposals. To adopt the system now would be to some extent taking a "leap in the dark." The Bill, as it stands,

gives cheaper telegrams at a loss of £48,000 a year, and we ought to know the effect of the measure before we commit the Treasurer to the serious further losses which I have indicated.

Mr. CROUCH (Corio).—I am glad the honorable member for Kalgoorlie has submitted the proposed new clause. The Minister has hardly done justice to the suggestion of the honorable member for Parramatta, that New South Wales will not lose so much as has been estimated. The Minister contends that because New South Wales has a population greater than that of Victoria by 200,000, the loss of the former State will, therefore, be proportionately larger. It is apparently forgotten by the Minister that at the present time the bulk of the letters, which are posted in the towns and suburbs, are carried at the penny rate within a radius of 13 miles. Under these circumstances, surely the loss cannot be so great as has been contemplated. The honorable member for Parramatta is an ex-Postmaster-General of New South Wales, and is, perhaps, better able to judge of the effects than are officials, whose reports are always against progress in postal matters. The same official opposition was experienced in Victoria, and will always be experienced until a Minister or Parliament is prepared to adopt a reform. I shall support the proposal of the honorable member for Kalgoorlie, for the same reasons as those for which I shall support the adoption of uniform telegraph rates for the whole Commonwealth. I think that we should wipe out the State divisions in regard to matters like this, and treat the Commonwealth as a whole. The State divisions should no longer be allowed to operate as barriers between one part of the Commonwealth and another, nor should the conditions in one part of Australia in respect to matters under the control of the Commonwealth be different from the conditions in another part of Australia. I do not think it is right, for instance, that if a man goes from Victoria, where there is a penny rate for letters throughout the State, to New South Wales, he should be compelled to pay a twopenny rate there, and thus be made to feel that in one part of the Commonwealth he is not receiving the same privileges as he enjoyed in another part. Every individual in the Commonwealth should be treated alike by the Commonwealth departments, and for that reason

I should like to see uniform postage and telegraph rates. Moreover, I want to see a uniform postage rate enforced throughout the Empire. I think that a mistake has been made in allowing New Zealand letters to be sent to Australia for a postage of 1d., while a postage of 2d. is charged upon letters sent from Australia to New Zealand.

Sir PHILIP FYSH.—It was a matter of compact. There was a give-and-take element in the arrangement.

Mr. CROUCH.—In my opinion, New Zealand has obtained all the advantages of the arrangement.

Sir PHILIP FYSH.—New Zealand gave us certain advantages in connexion with terminal telegraph rates.

Mr. CROUCH.—In any case, I think it is a great pity that such an anomaly should exist, and I feel that the Postmaster-General has not acted wisely in the matter. I would point out that a man in the permanent military forces, or a sailor in the Imperial Navy stationed anywhere in Australia, can send his letters throughout Australia and to any part of the world for a postage of 1d. No inconvenience has been caused by that arrangement, and I fail to see why this special rate which is allowed to part of our population should not be extended to the whole of the community. But the chief reason why I favour a uniform penny postage for the Commonwealth is this:—There has been a great outcry against federation, because people cannot at once see all the advantages which we hope will come from it. Of course, they are benefiting at the present time by the removal of the Inter-State customs duties, and are receiving other indirect benefits which they do not recognise very readily; but I feel that it would be to the advantage of federation to stimulate the feeling of unity by bringing into prominence an immediate and visible benefit which the people will see is to be attributed to our union. If we introduced a uniform penny postage for the Commonwealth, men would at once recognise it as a benefit derived from federation. It is what a man sees that he appreciates, and he thinks most of the advantages which he can grasp for himself. Such tangible benefits are worth much more, to his mind, than intangible benefits which may accrue five years hence. For this reason, therefore, I think that a large sum of money, and even as

large an amount as the estimate of loss which has been framed by the Minister, might well be expended in extending the penny postage system to the whole Commonwealth.

Mr. McCAY (Corinella).—Although I have every desire to facilitate communication between the various parts of the Commonwealth, it seems to me that in the present state of our finances, and of the finances of the States, we must consider first how the adoption of the penny postage system would affect the Treasury. I am not concerned as to whether the Estimates of the Postmaster-General are or are not absolutely correct. If the probable loss was set down at £150,000, which is only half the amount estimated, I should still be of the opinion that it is undesirable to make a change. I think that we cannot get away from the position that if the postal service is carried on at a loss; that is to say, if its total revenue is less than its total expenditure, the deficit must be made up by the contributions of the whole community. That means that those who write few letters must contribute to make good the loss caused by conferring a benefit upon those who write many letters. In this way the farmer, the miner, and the producer generally will be called upon to pay for advantages conferred upon those engaged in distributing and exchanging businesses. The people who perhaps write one letter a week will have to pay for benefits conferred upon the large financial and mercantile institutions, and upon all whose correspondence is large. The actual result of adopting penny postage is to a certain extent a matter of guess-work, but we cannot shut our eyes to the data at our disposal, and assume that it will be something quite different from a reasonable estimate based upon that data. If we halve our postage rates, we decrease our revenue by one-half, and at the same time, by adding to the mail matter to be carried, probably increase our expenditure.

Mr. JOSEPH COOK.—In adopting a uniform penny postage for the Commonwealth, we should not have to halve the existing rates.

Mr. McCAY.—I am aware that there is already a penny postage throughout Victoria, but the adoption of that system has resulted in a loss to the State, which it is no more able than any other to bear. In New South Wales there is both a penny

rate and a twopenny rate, but it is the letters which now pay the twopenny rate whose transmission is the most expensive. I do not know of any Inter-State correspondence upon which the rate is less than 2d., and that correspondence is very large. On the other hand, it cannot be thought that the people who now pay 2d. upon their correspondence would send two letters for every one they send now if the postage were reduced to 1d., and surely no one suffers from the existence of the twopenny rate. In my opinion, it is our duty not to increase the cost of federation by making this change. The honorable and learned member for Corio spoke of the blessings which the people would pour down upon our heads if we gave them this tangible benefit. No doubt the adoption of uniform penny postage would be a very easy way of obtaining that blessing; but, in my opinion, we are not justified in adding to the burdens of the community by adopting a rate which will not pay expenses. It cannot be said that there is any urgent public demand for this change. But even if there were, I think that when the public realized that there would be a loss, which would have to be made up by increasing the burdens of the taxpayers, the majority who would not benefit very largely, would be opposed to the change. Since the Government consider that the adoption of the system would mean a very large loss, the responsibility for which they are not anxious to undertake, I think that they should refuse to allow the matter to be taken out of their hands. Parliament will be acting in opposition to all principles of economy if it sanctions this arrangement. I would not sanction the adoption of the penny postage system anywhere, unless it was probable that the revenue of the postal department would within a reasonable time meet its expenditure.

Mr. E. SOLOMON (Fremantle).—The honorable and learned member for Corinella stated that he had not heard of any agitation in Victoria in favour of the establishment of penny postage, but that is hardly to be wondered at, seeing that the people of that State already have the advantage of the system. It is in other parts of the Commonwealth where the people do not enjoy this privilege, that the agitation for the extension of the penny postage system has occurred. When federation was being advocated, the people of the Commonwealth

as a whole were led to believe that the establishment of uniform penny postage throughout the States was one of the benefits which would probably follow the union, and many candidates pledged themselves to support the system. In New Zealand where the penny postage system has been successfully introduced, the population is something under 800,000, and as the total number of persons in the Commonwealth is something like 4,000,000, we surely should be able to adopt penny postage without incurring any serious loss. I cannot understand the statement of the Minister representing the Postmaster-General, that only £21,000 would be lost if the postage upon letters for parts beyond the Commonwealth were reduced to 1d. The present rate of foreign postage is 2½d. per ½ oz., and the reduction to 1d. would involve a loss of 3-5ths of the present revenue in respect to letters for parts abroad. In view of the facts that we have to pay no subsidy for the conveyance of inland letters and that the relative reduction would not be so great as in the case of oversea letters, I cannot understand why there should be such an enormous difference in the estimated losses.

Sir PHILIP Fysh.—It must be recollected that we at present lose very largely upon the carriage of sea-borne letters.

Mr. E. SOLOMON.—Even allowing for that, I cannot help thinking that some mistake has been made by the postal authorities. In Western Australia we have enjoyed the privilege of the penny post within municipal bounds, but in cases where letters are sent from one municipality to another, the full rate of 2d. per ½ oz. has to be paid. Honorable members will at once see the anomaly of charging 2d. for a letter carried a few hundred yards, and only 2½d. for despatching a letter to the furthest corner of the earth. The introduction of the penny postage system would confer a benefit upon a very large number of people in all the States. So far as Western Australia is concerned, the boon has long been asked for. It was understood that under federation the conditions in regard to postal and other matters would be made as uniform as possible in the various States, and we should remove all distinctions as soon as possible. I pledged myself to support the penny postage system, and I intend to do all in my power to carry out my promise.

Mr. GLYNN (South Australia).—I regret that I cannot support the honorable

member for Kalgoorlie in his proposal. I feel indebted to him for the research he has displayed, and also to the Minister representing the Postmaster-General for the figures he has supplied. The conclusion I draw from the figures furnished to us is that this is not an opportune time for the establishment of the penny postage system. We ought to wait until the expiration of the bookkeeping period before we try an experiment which may involve the States in considerable loss for several years to come. According to the statistics furnished by the honorable member for Kalgoorlie, every country in which this so-called reform of penny postage has been introduced has sustained an immediate, if temporary, loss. I do not know for how many years the returns showed a loss in England, but we have it on the testimony of the honorable member that there was a loss of 66 per cent. of the postal revenue in England upon the reduction of the general rate from 4d. to 1d. We also have his testimony that there was a loss of £35,000 in New Zealand, plus £6,400 increased expenditure, consequent upon the reduction of the postage to 1d. If we compare the population of New Zealand with that of the whole of the Commonwealth, and adopt that as a guide in estimating the probable loss that would be incurred by us, I think that the figures given by the Minister representing the the Postmaster-General must stand fully justified. I do not think that during the bookkeeping period—which will necessarily be a time of great anxiety for the State Treasurers—we should try experiments which would have the effect of adding to the unjustifiable discontent which already exists with regard to federation. There is no reason why we should do anything which would have the effect of involving the State Treasurers in a certain loss upon the Postal department. We are not called upon to reform everything within the first year or two. Our principal concern should be to unify the methods of administration, and to carry out certain reforms of urgent necessity. We are not required to go through the 39 articles which prescribe the subjects with which we are entitled to deal. We ought to wait and see what the financial effects of federation will be. The States Treasurers cannot even gauge the receipts from Customs, and they should not have to face a certain loss of postal revenue.

Canada lost the comparatively small sum of £10,000 during the first year after the introduction of the penny postage, but according to recent telegrams there has been a great increase of prosperity in the Dominion, and it may be assumed that the increase in the postal revenue is due to some extent to the general development of trade and industry, and the accumulation of wealth in that country. Moreover, the honorable member for Kalgoorlie did not make any allowance in his calculations for the increase of population in Canada since 1898, when the penny postage system was inaugurated. There is no blinking the facts mentioned by the Minister. The experiment of penny postage has been tried in Victoria, and a loss of £48,000 has been incurred, and additional expense amounting to £1,800 has been involved, so that the total loss may be stated at over £50,000. It may very fairly be assumed that if the advantages of penny postage were extended throughout the Commonwealth the loss would be not less than £250,000—the experts say that it would amount to £298,000. South Australia cannot afford to lose her proportion of that amount. At the present time the postal service shows a profit of £23,000, but that would be converted into a loss of £24,000, making a total deficiency as compared with the present revenue of upwards of £40,000. The compensation for this loss would not be a remission of taxation for the benefit of the general taxpayer. We should simply surrender a charge made upon those who use the post-office. We should really be reducing that which was paid as fair consideration for services rendered, not in the interests of the whole community, but for the benefit of those who use the post-office. There is a fair distinction to be made between a so-called reform of this kind, and one which would relieve the public generally from the burdens of taxation. I decline to recognise this proposal as a genuine reform. It would be a reform if it led to better results from the post-office, or if it enabled us to confer further advantages upon the public without incurring heavy loss. I cannot regard as a genuine reform any change that would result in a certain loss for at least five or six years. The introduction of the penny postage was a reform in England, because it was justified by results after a few years, and because a surplus had previously been derived from the working of the post-office.

The authorities simply released the profits which they had been making in order to cover a temporary shrinkage in the revenue, due to a change of policy which was expected to bring about a still greater accession of revenue in the immediate future. I trust that the consideration of this matter will be deferred until the bookkeeping period has expired, when the loss can be borne by Australia. It cannot be so borne at present. Some of the States can afford the loss at this juncture, but others cannot. The proper time to try an experiment of this sort is at the end of five years, when the State Treasurers will accurately know the amount which they can rely upon the Federal Treasurer returning to them, and when any loss resulting from a change which is applicable to the whole Commonwealth will be borne by the Federation.

Sir WILLIAM McMILLAN (Wentworth).—There is no doubt that during the federal elections the Government did extend to the people of the Commonwealth the hope that they would achieve the great reform of penny postage. At the same time it cannot be denied that the bookkeeping system, which is embodied in the Constitution, implies a certain responsibility upon each of the States. To compare New Zealand, which contains a population of 800,000, with Australia, which has a population of 4,000,000, is scarcely fair. We should compare New Zealand with each of the States separately. To my mind there is no doubt that the adoption of the penny postage system would result in a considerable loss to Queensland and Tasmania. If I were to consider the interests of New South Wales alone, I should vote for the proposal, because with the enormous increase in its Customs revenue that State could afford to adopt the penny postage system. At the same time, while it is well that this subject should be ventilated, and that a distinct declaration of the policy of the Government should be obtained before the closing of the present Parliament, it might perhaps be wise if the honorable member for Kalgoorlie were satisfied with having raised the question. So long as the bookkeeping system is in vogue the Executive of the Commonwealth must consult the interests of the smaller States. It would be very unfair if to a certain extent we forced on each State its own particular expenditure, and then tried to preach uniformity of system and great Commonwealth

improvements. It would be like trapping the States into a certain condition of affairs, and then ignoring that condition in our own legislative actions. If Queensland, Western Australia, and Tasmania intimated to us that they would be willing to bear any loss consequent upon the adoption of this system, undoubtedly it would be the duty of the Government to introduce it. In this connexion, I was very much struck by a remark of the honorable member for Parramatta. He said that if we could establish penny postage throughout Australia, we should be giving the people the first real tangible benefit which they have received from federation. At the same time we have to consider the smaller States, which agreed to the bookkeeping period on the understanding that administration and legislation would be carried out on the basis of that system.

Mr. O'MALLEY (Tasmania).—I am sorry to have to oppose this motion. There is no doubt that the honorable member for Kalgoorlie is absolutely sincere in his desire to bring about what he regards as a reform, but what I believe would constitute a retrograde step. The penny postage system would doubtless be of great advantage to wealthy offices. I know that the institution with which I am associated would benefit very materially. But how would that assist the west coast miner of Tasmania?

Mr. JOSEPH COOK.—That is the man upon whom the present twopenny rate falls more than it does upon big offices.

Mr. O'MALLEY.—No. The average miner writes only about two letters a year. I want to see a scheme for the payment of old-age pensions adopted, and I am anxious to get an opportunity for the discussion of the motion relating to that matter, which has stood upon the business-paper for so long. But if the Commonwealth is going to sacrifice about £300,000 a year by the adoption of a penny-postage system, where is the money to come from to pay those pensions? No individual suffers because of the postage which he is required to pay upon his correspondence, seeing that it is a voluntary contribution. Nobody need write letters if he has no desire to do so. If friends are really anxious to obtain replies to their letters they can easily send stamped envelopes for the purpose. All these reforms must come about in their natural order. It is preposterous to compare a young country like Australia with England, where

500,000 poor people recently partook of the dinner provided for them by the King.

Mr. TUDOR.—What about the United States.

Mr. O'MALLEY.—The United States obtained most of her unfortunate people from England. In the latter country old-age pensions could have been provided with the interest which is payable upon the moneys spent in conquering the Boers, although some apparently have not sufficient intelligence to appreciate that fact. In my opinion the adoption of the penny-postage system would mean the sacrifice of the multitude for the ideal benefit of the rich few.

Mr. JOSEPH COOK (Parramatta).—There has been an *ad misericordiam* appeal made in connexion with this discussion, and now we are told that the whole question resolves itself into whether the poor should bear the burden of the rich few. That is an appeal which ought not to have been made in connexion with a proposal of this kind, because it is absolutely absurd on its face. I claim that the man in an office can better afford to pay 2d. upon his correspondence than can the poor miner, of whom the honorable member for Tasmania has spoken. Indeed, the men in the offices to whom he has referred, do not pay anything—they make other people pay for them. I venture to say that the poor miner is the individual above all others who would benefit most from the adoption of a system of penny postage. The honorable and learned member for Corinella has pointed out that if a loss occurred through the introduction of that system it would have to be paid. But if a loss did occur, even if it totalled the sum predicted, I venture to say that the miner would not be called upon to pay 3d. a year more than he does at present. We have been told by one Minister that the loss sustained by Victoria consequent upon the introduction of penny postage was £11,000 per annum. Now, however, the Minister representing the Postmaster-General comes down with a brand-new estimate which has been furnished to him by his officers. I say that that estimate has been supplied for the express purpose of defeating this proposal. The figures in Canada show that when the penny-postage system upon letters was introduced in that country there was a corresponding increase in the number of registered letters passing through the post. There may be even an increase with a

decreased postage rate, because letter writing often leads to the sending of telegrams. I challenge the Minister to give any data on which the estimates have been prepared. I have controlled the Postal department, and I know that when I have asked on what data similar reports have been made, I have always been told: "Oh, they are only estimates." We here in Parliament are just as well able as are the officials to guess the results of a reform like that now proposed. In New South Wales one-half of the business is at present done at the penny rate, and the estimated loss was £83,000; and, in Victoria, where there was no penny rate, the loss was estimated at £53,000. Is that not absurd? The estimates carry their own refutation; and I decline to regard them as of the slightest value.

Mr. MAUGER.—At the time the estimate was made, letters left open were carried at the penny rate in Victoria.

Mr. JOSEPH COOK.—Not letters.

Mr. MAUGER.—Letters, and open envelopes containing even promissory notes, were sent in tens of thousands at the penny rate.

Mr. JOSEPH COOK.—We are now talking of closed letters, and I remind the honorable member for Melbourne Ports that even a newspaper, which is three or four times the weight and size of a letter, is carried at a less rate than is the latter. Canada, and not New Zealand, presents a case similar to our own. But even in New Zealand, where the change was complete and not partial, the loss has not been a great one. In Canada the loss for the first year was only £10,000, but now the revenue is greater than ever it was before the reform. In the Commonwealth the loss for the first year would be very small, and within a few years the letter postage would pay us handsomely, as it does to-day. Last year's operations in Victoria represent a time which, according to the Treasurer, was one of stress and commercial depression such as had never before been experienced in the State. And in New South Wales we are suffering depression such as we have not felt for very many years, and yet during the whole time our revenue is expanding. Are we not to count on continued expansion of the revenue? No argument has been advanced to make us hesitate to adopt the reform, and any temporary loss in connexion with it is not worth considering side by side with the enormous advantages which would be

gained. As to what I consider the rather silly appeal made on behalf of the miners, I contend that they will benefit more than those interested in big offices. We all know that those in the big offices, unlike the miner, can pass the postage on to some one else; and, therefore, the reduction would mean so much money left in the miners' pockets. If I thought that the reform would benefit only those interested in the big offices, I should take no further trouble in the matter; but my concern is for the man in the back country, who feels, in this connexion, a disability simply because he is compelled to live there, away from the communal advantages of civilization. It is because I believe that the man in the back country will primarily, and to a greater extent than any one else, benefit by a reduction in the charge for postage that I shall vote for the new clause.

Mr. FOWLER (Perth). — I am very sorry to be obliged to vote against the proposal of my colleague, the honorable member for Kalgoorlie. I have no doubt that penny postage is a popular cry, and that in my own electorate such a reform is possibly waited with a certain amount of impatience. But that does not influence me against my better judgment, and cause me to vote for a proposal which I regard as premature. I cannot follow the honorable member for Parramatta when he urges that a twopenny postage is a tax on the miner, to whom the reduction would be an advantage. I cannot conceive that there is any considerable proportion of the people of Australia who would write more letters if the reduction were made, and I feel quite sure that if we institute the system of penny postage at the present juncture we must, as a necessary corollary, demand from the mass of the people more in the way of indirect taxation than the reform would give them. I can speak with some knowledge of the miner and his circumstances, seeing that I spent many years on the western gold-fields; and, in my opinion, what is wanted is not so much penny postage as increased postal facilities. The miner would be much better pleased to continue to pay 2d. for his letters than to be deprived of extensions and improvements, which are being asked on all sides on behalf of those people in the back-blocks, in regard to whom the honorable member for Parramatta is so anxious. I have several requests before the Postal department as to the extension and improvement of postal facilities

in my own electorate, and if we resort to the alleged reform, those extensions will receive a set back for many years.

Mr. JOSEPH COOK.—Why?

Mr. FOWLER.—Because there will be no money to carry them out. I believe that in the main the contention of the Minister is correct, namely, that the condition of New Zealand furnishes a better parallel for us than does Canada. As I have said, there are very few people in Australia who refrain from writing a letter now, because the charge is 2d., and who would write more if the postage were 1d.

Mr. JOSEPH COOK.—How is it that in every country where penny postage has been established the letters have increased by tens of millions?

Mr. FOWLER.—Where the size of the community and the closeness of population justify the reform, it can be undertaken with advantage, but under our present circumstances I am very much afraid it may mean a set-back to development of postal facilities in remote parts where those facilities are frequently the only link which binds the people there to civilization. I utterly fail to see how we can expect any advantage from a proposal which gives to the masses penny postage for their comparatively few letters, and which will mean, in order to make up the shortage, the extraction of a far larger amount in the shape of indirect taxation. Until the book-keeping period is over at least, this matter ought to remain in abeyance. I am glad that the question has been brought up, and I hope it will be kept before Parliament, so that the reform may be carried out, when it will mean an actual benefit to the community.

Mr. WILKINSON (Moreton). — The honorable member for Perth has anticipated a good deal of what I intended to say. I agree with that honorable member that it would be much better to allow the residents of the back-blocks to pay 2d. for their letters and be provided with adequate postal facilities, than to grant penny postage to settled communities for whom facilities are already provided. No doubt penny postage is a success where the population has been long settled, and the mail routes long established; but, in a country like Australia, where new farming and mining settlements are continually being opened up, extended postal facilities must be provided; otherwise the settlers will be

dissociated from the life of the community. I, like the honorable member for Bourke, have preferred several requests to the Postal department, and have received the answer that they would be willing to carry out the desires of my constituents, as represented by me, if they had the necessary funds at their disposal. At the present time there is a loss of something like £100,000 a year upon the working of the Postal department in Queensland, and if it is found impossible to provide postal and telegraphic facilities for many new settlements under present conditions, the difficulty will be increased if, by the adoption of the penny postage system, the loss is allowed to mount up to £150,000. It may be said that the administration of the Queensland Postal department has been somewhat loose in the past; but honorable gentlemen must remember that the distances to be traversed in Queensland are much longer than the distances to be traversed in Victoria, because Queensland covers a much larger area than Victoria, and its settlement is much more scattered. Thousands of miles of wire are stretched across Queensland to complete the telegraphic system of Australia, and all this adds to the cost of working the department there. But in new countries like Western Australia and Queensland, where settlement is proceeding apace, new communities are being created almost every day. To many persons living out in the back country, a fortnightly mail service would be a luxury. It would be cheaper for them to pay 2d., or even 1s. in postage upon their letters, if they could get a post-office established near at hand, than to have to take a day's journey, and perhaps a still longer journey to get to a post-office, as they must at present. It would be much more in the interests of the Commonwealth, as a whole, to provide some sort of postal convenience for those who are settled out on our waste lands, than to add to the facilities possessed by those who are already well served. While I am in sympathy with the amendment, I believe that this is an inopportune time to make any reduction in rates. Most of the States Governments anticipate larger deficits during the current year than they had last year, and as the adoption of a uniform penny postage for the Commonwealth would result in a still further loss in administration, I think it would be calamitous to

adopt it at the present moment; and that its adoption would bring federation into greater disrepute than even some of its erstwhile friends wish for. I do not think that we can have absolute uniformity until the bookkeeping period is ended. While each State has to make good any loss upon the working of the Commonwealth department within its borders, it would be unjust to, by reducing her postage rates to make them uniform with those of Victoria, compel Queensland to make good a loss of £150,000 a year. We, who know that State, believe that in a very few years she will take her place pretty well in the front in Commonwealth affairs, because her resources are as great as those of any other part of Australia. Although we are suffering at the present time, we are not pessimistic in regard to the future. When the right time comes, we shall be glad to adopt penny postage; but we do not wish to prematurely adopt a system which will either increase our own debt, or compel New South Wales or other parts of the Commonwealth to take some of our burdens. I hope, in the interests of the State revenue of Queensland, and of those who are engaged in developing our back country, and now suffer so severely from the want of proper postal conveniences, that the amendment will not be carried.

Mr. BROWN (Canobolas).—The difference between the proposal of the Government and that of the honorable member for Kalgoorlie, is, I take it, that the Government, in aiming at uniformity, wish to level up the postal rates of the Commonwealth to a uniform rate of 2d., while the honorable member wishes to level them down to a uniform rate of 1d. The advisability of reducing postage rates is a subject which has been very often debated. The ideal which all postal reformers have had in view has been, not the levelling up, but the levelling down of rates. It is contended, and I believe rightly, that by levelling down you give compensating advantages which tend, not only to prevent permanent loss to the Postal department, but to transform any immediate loss to a still greater gain than would have been obtained by the retention of the original rates. The general tendency during the administration of the Postal departments by the States was, not to restrict postal facilities and increase charges, but rather to give greater postal facilities

and to reduce charges. Victoria, for instance, reduced her State rate from 2d. to 1d., and although there has been a loss consequent upon that reduction, it must be remembered that the new system has scarcely had a fair trial yet. It was introduced when the State was, if I may use the term, suffering a recovery from a very severe commercial depression, which affected its resources as severely as those of any other part of the Commonwealth. While there is not a penny postage system throughout New South Wales, that State was progressing in the direction of the adoption of such a system, and a great deal of the correspondence transmitted through her post-offices is carried for a postage of 1d. The metropolitan and suburban area, comprising all the country within 15 miles, or more, of the General Post-office, enjoys the advantages of penny postage, so far as the transmission of letters within that area is concerned, while many populous country centres enjoy a similar privilege, and others can be established by proclamation. I am very strongly in sympathy with the scheme foreshadowed by the honorable member for Parramatta. He has practical knowledge of this subject, as the result of his experience while Postmaster-General of New South Wales for a number of years, and he did yeoman service in the direction of extending and popularizing her post and telegraph system. I agree with him that it is desirable in the interests of federation, in order to show to the people some tangible benefit accruing from the union, that a uniform penny postage should be adopted. The Government policy of levelling up rates, if agreed to, will deprive the population of the more wealthy and progressive States of benefits which they have hitherto enjoyed, and place them back in the position which they occupied many years hence. The Government are regarding the proposal from a penny-wise pound-foolish standpoint. If the facilities extended to the public are curtailed and the charges are increased the volume of business transacted by the Postal department will become smaller. At the same time it will be necessary to maintain a full staff of postal officials and to carry on the mail services in all parts of the country as at present. Therefore, if the volume of postal business is reduced a serious loss must result. Experience in New South Wales has shown that the greater the facilities offered to the public,

the larger the volume of business, and the greater the revenue derived by the department. I do not think it is unreasonable to claim that in postal and telegraph matters New South Wales is ahead of all the other States. In making a comparison between Victoria and New South Wales, it must be remembered that the latter State has the larger area and the more sparsely settled population, and that the earning possibilities of the postal service are therefore smaller in comparison. These remarks apply with even greater force to the case of Queensland. Still, the return of the postal earnings in New South Wales shows to the best advantage, and the receipts in New South Wales represent one-half the total earnings of the Postal department of the Commonwealth. *Coghlan* shows that during a series of years there was a steady increase in the volume of the postal business throughout the Commonwealth in keeping with the additional facilities that were given from time to time. From 1861 to 1871 the increase amounted to 12,000,000 letters; between 1871 and 1881, to 46,000,000; between 1881 and 1891, to 96,000,000; and between 1891 and 1900—a period of very serious depression—to 57,000,000. A comparison between the figures for New South Wales and Victoria discloses that in 1891 New South Wales showed an increase over Victoria representing 2.56 per cent. per head of the population. After this, the penny-postage system was extended throughout Victoria, and, as a result, her postal business in 1900 exceeded that of New South Wales to the extent of 7.77 per cent. per head of the population. This tends to prove that by extending the facilities afforded by the Postal department the volume of business is increased. By offering additional facilities to the public we should be able to so increase the business of the department as to establish it on a self-supporting basis, and we should be well advised to adopt the penny-postage system with this object in view. The loss estimated by the Minister is £295,000 per annum, but the accuracy of that calculation is seriously questioned by the honorable member for Parramatta, who thinks it should be considerably less. All progressive communities have shown a disposition to reduce charges and increase facilities, and we should make a bold step forward in the path of progress by extending to all parts of the Commonwealth the privileges which have been hitherto enjoyed

the centre of which must be the place of publication, or some point not more than 30 miles distant therefrom according to the choice of the publishers.

(b) Posted for delivery to subscribers at the office at which they are posted, except in cities specially exempt by proclamation of the Governor-General.

Provided that not more than one copy of each such newspaper or periodical shall be so transmitted to each regular subscriber.

This will permit of the free postage of newspapers in country districts within a radius of 30 miles from the centres in which they are published, under certain conditions which are set forth. This provision is adopted to some extent from the Canadian legislation, and the concession asked for is a very small one. I am not advocating the interests of the newspaper proprietors so much as those of the subscribers, because I know the eagerness with which the newspapers are looked for in outlying districts. At the same time the country newspaper proprietors are very severely handicapped as compared with their more wealthy competitors in the large cities, and they are deserving of every consideration.

Sir WILLIAM McMILLAN (Wentworth).—I am opposed to this proposed new clause. I was under the impression that I was voting against this clause when the last division took place. I had intended to support the proposal which has just been disposed of. I am quite in favour of extending every facility for the carriage of newspapers in bulk, but I do not think that they should be delivered to subscribers free of any charge for postage.

Proposed new clause negatived.

FIRST SCHEDULE. NEWSPAPERS.

On all newspapers posted (without condition as to the number contained in each addressed wrapper), by registered newspaper proprietors, or by newsvendors, or returned by an agent or newsvendor to the publishing office—One penny per lb., on the aggregate weight of newspapers so posted by any one person at any one time.

On all other newspapers posted within the Commonwealth for transmission therein, for each newspaper—One halfpenny per eight ounces, or fraction of eight ounces, avoirdupois weight.

Amendment (by Sir PHILIP Fysh) agreed to—

That the words, "for delivery within the Commonwealth," be inserted after the word "posted," line 1.

Mr. O'MALLEY (Tasmania).—I move—

That the word "lb." be omitted, with a view to insert in lieu thereof the words "twenty ozs.;"

and that the word "eight" be omitted, with a view to insert in lieu thereof the word "ten."

It is well known that some magnificent weekly journals, which weigh more than 8 ozs., are published within the Commonwealth. They weigh 10 ozs., and it would not be fair to unduly tax these publications, which are essential to the well-being of the farmers of the community. Under this schedule, if a person desired to post, say, two copies of the *Sydney Mail* or of the *Australasian* to a friend, he would be unable to do so for 1d.

Sir PHILIP Fysh.—The first portion of the schedule is specially intended to deal with bulk parcels posted by newspaper proprietors.

Mr. O'MALLEY.—I wish to provide that if a person desires to post two copies of weekly newspapers such as those I have mentioned, he shall be able to do so for 1d. I desire to substitute 20 ozs. for 1 lb., because it will prevent a lot of complication in the future.

Mr. DEAKIN (Ballarat — Attorney-General).—I can assure the honorable member that his proposal, if adopted, will have an effect different from that which he desires. I perfectly understand the object which he has in view, and am sure that it can be accomplished by amending the second portion of this schedule. His desire is that two newspapers contained in one wrapper, and weighing not more than 20 ozs., shall be carried by the Postal department for 1d. But I would point out that the first portion of this schedule relates entirely to newspapers posted in bulk by registered newspaper proprietors.

Mr. WATSON.—But the two matters are related.

Mr. DEAKIN.—I was under that impression at the first glance. But it does not necessarily follow that, because we extend a concession to private individuals who wish to send one or two newspapers through the post, we should adopt the same course in regard to registered newspaper proprietors. The two things do not hang together—the one is not a necessary consequence of the other. The difference in loss to the Post-office is great. All that the honorable member for Tasmania desires can be accomplished by an amendment of the second portion of the schedule.

Sir WILLIAM McMILLAN (Wentworth).—After the debate that has taken

the proposed experiment in two or three years' time. In the meantime let us watch the result of the operation of the system in Victoria. I am satisfied that the adoption of penny postage would mean a considerable loss to South Australia, where a twopenny rate is charged, even in connexion with the metropolitan and suburban areas. I am convinced that the State which I have the honour to represent does not desire this system, and I will not support it until I know more of its financial results.

Mr. SALMON (Laanecoorie). — Originally it was my intention to support this proposal, but certain information which I have gathered during the course of the debate has caused me to alter my opinion. Under the circumstances, I cannot see my way to vote for penny postage, although I am a strong believer in the advisability of cheapening means of communication in every possible way. This, however, is scarcely the time when we can afford to do that. If the Commonwealth as a whole had to bear any loss resulting from the adoption of the system—and I am satisfied that there would be a loss—I should be prepared to support the proposal of the honorable member for Kalgoorlie. But for four years to come that loss will fall upon the separate States, and, necessarily, those States which are the least able to bear it will have to pay the greater proportion of it. In Victoria, we introduced the penny postage system under favorable conditions, and the result was a large increase in the number of letters forwarded by the department. But experience has also shown that the officers of the department really had some knowledge of the business which they were conducting. It was felt in the Victorian Parliament that the estimate of a loss of £55,000 for the first year was outrageous, but, after twelve months, the total loss was ascertained to be £50,000; and, under the circumstances, the estimates of the officers should be treated with great respect. There are several points to which I should like to allude, but at this late hour I refrain from doing so. I regret very much that I cannot support the new clause, but I trust the financial position of the States, at no distant date, will warrant our extending the boon of penny postage to the Commonwealth.

Sir LANGDON BONYTHON (South Australia).—I listened with great interest

to the speech of the honorable member for Kalgoorlie, who certainly made out a good case, and has my entire sympathy. On the present occasion, however, my vote will not be controlled by sympathy, but by financial considerations. The effect of the Bill, supposing it be passed as introduced by the Government, will be a substantial loss in revenue so far as South Australia is concerned, and under the circumstances I shall at the present time have to oppose penny postage throughout the Commonwealth. I sincerely hope, however, that the day is not far distant when that reform may be adopted.

Mr. CONROY (Werriwa). — Several honorable members oppose the motion owing to the financial conditions which prevail in their own States. I wish they would carry the principle a little further. While they do not propose to diminish taxation in their own States, they are willing to increase taxation in at least three of the States. All newspapers under the Bill have to pay postage, and that means increased taxation in New South Wales, Tasmania, and Western Australia. I am not arguing whether it is right or wrong to charge postage rates on newspapers; but such a charge in New South Wales means increasing taxation in one direction without giving corresponding advantages.

Mr. SAWERS.—Is it taxation?

Mr. CONROY.—Perhaps it ought to be called payment for services rendered, but the term "taxation" has been used throughout the discussion, and the Bill proposes to increase the demands made on the people.

Mr. FOWLER.—The new postal rates will be an advantage in Western Australia.

Mr. CONROY.—Unless there is better administration than we have had under the present Postmaster-General it will not really matter whether the rates are high or low. If it be a sound argument that we ought not to reduce the postage, because it will diminish taxation, surely we ought not under the Bill to increase taxation in certain of the States. If penny postage were adopted, it would be possible to tell the people of New South Wales, on whom the heavier burden would fall, that they were left much in the same position that they occupied before. Increased postal facilities are part of the educational advantages which ought to be given to the people, and the expense of these facilities ought not to be counted as a mere matter of loss, in view of the

resultant gain to the community. Every argument used against the proposed new clause is an argument in favour of postponing the Bill until the expiration of the bookkeeping period. I support the new clause in order that some of the advantages which arise from federation may be given to States on which, under the Bill, we propose to impose disadvantages.

Mr. PATERSON (Capricornia).—I regret very much that I do not feel disposed to support the new amendment. I should like to see penny postage throughout the continent, but I cannot understand how the States can afford it. Queensland is at present suffering terribly from drought, and great contraction of business, and in connexion with postage that State has the enormous deficit of £101,000. That deficit arises from the payments under a large number of mail contracts, which have to be carried out, no matter what number of letters are conveyed; and the taxation of the people is not added to as it would be if, in the case of insufficient postage, the cost had to be met out of the general revenue. It would be a blow to Queensland to subject her to more loss of revenue, and for that reason I cannot support the new clause.

Question.—That the proposed new clause stand part of the Bill—put. The committee divided.

Ayes	10
Noes	33
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Majority	23

AYES.

Brown, T.
Cook, J.
Edwards, R.
Fuller, G. W.
Kirwan, J. W.
Smith, S.

Solomon, E.
Thomas, J.

Tellers.

Conroy, A. H.
Wilks, W. H.

NOES.

Bonython, Sir J. L.
Cameron, D. N.
Clarke, F.
Cooke, S. W.
Deakin, A.
Fowler, J. M.
Fysh, Sir P. O.
Glynn, P. McM.
Groom, L. E.
Hartnoll, W.
Higgins, H. B.
Isaacs, I. A.
Kennedy, T.
Mauger, S.
McCay, J. W.
McColl, J. H.
McDonald, C.

McEacharn, Sir M.
McLean, A.
McMillan, Sir W.
O'Malley, K.
Paterson, A.
Phillips, P.
Poynton, A.
Quick, Sir J.
Salmon, C. C.
Sawers, W. B. S. C.
Skene, T.
Thomson, D.
Tudor, F.
Watson, J. C.
Tellers.
Cook, J. H.
Wilkinson, J.

PAIRS.

For.

Crouch, R. A.
McLean, F. E.
Manifold, J. C.
Watkins, D.

Against.

Ronald, J. B.
Batchelor, E. L.
Mahon, H.
Bamford, F. W.

Question so resolved in the negative.

Proposed new clause negatived.

Mr. BROWN (Canobolas).—I move—

That the following new clause be inserted:—
“The rate for bulk parcels of newspapers of more than 1 lb. each, such parcel posted by the publisher for carriage to post towns only, within a radius of 20 miles from the nearest railway station or port, or such other distances as the Governor-General may from time to time determine, and not for delivery by letter-carriers, shall be as set out on the first schedule of this Act.”

In my opinion, it is necessary to insert some such provision as that in the Bill, to provide for the distribution of newspapers to the various agents in and about the place at which they are published.

Mr. POYNTON.—Is the honorable member prepared to make a similar arrangement for the carriage of other kinds of merchandise?

Mr. BROWN.—I leave it to the honorable member to move for the application of the provision to such other kinds of merchandise as he may think it should apply to.

Mr. POYNTON.—We have already provided that newspaper proprietors may import their paper and machinery free of duty.

Mr. BROWN.—This is a matter in which the readers of newspapers are interested as much, if not more than, the publishers. The carriage of newspapers ought to be treated upon somewhat different lines from the carriage of other commodities. Special provisions are made for the transmission of correspondence through the post, and in some of the States facilities are given for the postal transmission of general merchandise, and the educational advantages conferred by newspapers ought not to be lightly estimated.

Mr. SAWERS.—They are very doubtful sometimes.

Mr. BROWN.—That remark may apply in some instances, but I may reasonably claim that the press of Australia will compare favorably with that of any other country in the world, and that its general tendency is to elevate rather than to demoralize. It is a vehicle for the distribution of valuable information, and I believe

that our community is all the better for the education which it obtains from its newspapers and magazines. Therefore, instead of placing embargos upon the distribution of newspapers, we should increase the facilities for their distribution. One result of the greater distribution of newspapers will be that honorable members will have more enlightened and intelligent constituents to appeal to.

Mr. McCOLL. — That may be all the worse for them.

Mr. BROWN.—It would be a bad thing for a member if it were so. I think that an intelligent constituency will always appreciate the work of an able and conscientious representative. While some newspapers may be biased in their political views, I think that as a whole they treat politicians reasonably. It does not matter to what party a politician belongs, if he says anything worth hearing the newspapers are ready to publish it. I have sometimes felt that I have not received fair play from the press, but, on the whole, I cannot complain of the treatment which has been meted out to me. I do not know what better educational agent is likely to supplant the newspapers. I do not think that even the amalgamation of the *Government Gazette* with *Hansard*, which is sometimes talked of, will do that. In New South Wales the number of newspapers sent through the post in bulk parcels is very large, representing as it does something like 51,000,000 newspapers per annum. In Victoria, however, where the postal arrangements have been more restricted, only about half as many newspapers are sent through the post. Seventy-five per cent. of the newspapers sent in bulk parcels to different parts of Victoria are distributed, not through the post, but by arrangements made between the publishers, the Railways Commissioner, and various coach and mail contractors, and thereby the Postal department loses a very large amount of revenue. Moreover, though that system is possible in Victoria, because of the compactness of the State, and the closeness of its population, it would hardly be possible elsewhere. I am informed that in New South Wales it would be necessary, to carry it into effect, for the newspaper publishers to make arrangements with no fewer than 1,300 mail contractors. I think that my request is a reasonable one. It applies only to bulk parcels of more than

1 lb. in weight, posted for transmission to post towns within a radius of twenty miles from the nearest railway station or port. But, to meet the case of new communities springing up at a greater distance than twenty miles from a railway station or port, it is provided that the Government may, by proclamation, extend the advantage to them. The carrying out of this arrangement will not require the employment of additional officers, or the providing of facilities other than those which are already paid for; but by increasing the number of newspapers carried, it will considerably advantage the revenue. I should like to hear the Minister representing the Postmaster-General on the subject.

HONORABLE MEMBERS.—No. Divide.

Question—That the proposed new clause stand part of the Bill—put. The committee divided.

Ayes	...	...	...	8
Noes	...	...	...	36
				—
Majority	...	...	...	28

AYES.

Cameron, N.
Cook, J.
Fuller, G. W.
Smith, S.
Thomson, D.

Wilks, W. H.

Tellers.
Conroy, A. H.
Brown, T.

NOES.

Bonython, Sir J. L.
Clarke, F.
Cooke, S. W.
Deakin, A.
Fowler, J. M.
Fysh, Sir P. O.
Glynn, P. McM.
Groom, L. E.
Hartnoll, W.
Higgins, H. B.
Isaacs, I. A.
Kennedy, T.
Manifold, J. C.
Mauger, S.
McCay, J. W.
McColl, J. H.
McDonald, C.
McEacharn, Sir M.
McLean, A.

McMillan, Sir W.
O'Malley, K.
Paterson, A.
Phillips, P.
Poynton, A.
Quick, Sir J.
Ronald, J. B.
Sawers, W. B. S. C.
Skene, T.
Solomon, E.
Thomas, J.
Tudor, F.
Watkins, D.
Watson, J. C.
Wilkinson, J.

Tellers.

Salmon, C. C.
Cook, J. H.

Question so resolved in the negative.
Proposed new clause negatived.

Mr. BROWN (Canobolas).—I move—

That the following new clause be inserted—

Newspapers and periodicals published within the Commonwealth shall be allowed free transmission through the post subject to the following conditions:—

- (a) Posted within 24 hours of publication to regular subscribers residing within a circular area of 60 miles in diameter

the centre of which must be the place of publication, or some point not more than 30 miles distant therefrom according to the choice of the publishers.

(b) Posted for delivery to subscribers at the office at which they are posted, except in cities specially exempt by proclamation of the Governor-General.

Provided that not more than one copy of each such newspaper or periodical shall be so transmitted to each regular subscriber.

This will permit of the free postage of newspapers in country districts within a radius of 30 miles from the centres in which they are published, under certain conditions which are set forth. This provision is adopted to some extent from the Canadian legislation, and the concession asked for is a very small one. I am not advocating the interests of the newspaper proprietors so much as those of the subscribers, because I know the eagerness with which the newspapers are looked for in outlying districts. At the same time the country newspaper proprietors are very severely handicapped as compared with their more wealthy competitors in the large cities, and they are deserving of every consideration.

Sir WILLIAM McMILLAN (Wentworth).

—I am opposed to this proposed new clause. I was under the impression that I was voting against this clause when the last division took place. I had intended to support the proposal which has just been disposed of. I am quite in favour of extending every facility for the carriage of newspapers in bulk, but I do not think that they should be delivered to subscribers free of any charge for postage.

Proposed new clause negatived.

FIRST SCHEDULE.

NEWSPAPERS.

On all newspapers posted (without condition as to the number contained in each addressed wrapper), by registered newspaper proprietors, or by newsvendors, or returned by an agent or newsvendor to the publishing office—One penny per lb., on the aggregate weight of newspapers so posted by any one person at any one time.

On all other newspapers posted within the Commonwealth for transmission therein, for each newspaper—One halfpenny per eight ounces, or fraction of eight ounces, avoirdupois weight.

Amendment (by Sir PHILIP Fysh) agreed to—

That the words, "for delivery within the Commonwealth," be inserted after the word "posted," line 1.

Mr. O'MALLEY (Tasmania).—I move—

That the word "lb." be omitted, with a view to insert in lieu thereof the words "twenty ozs.;"

and that the word "eight" be omitted, with a view to insert in lieu thereof the word "ten."

It is well known that some magnificent weekly journals, which weigh more than 8 ozs., are published within the Commonwealth. They weigh 10 ozs., and it would not be fair to unduly tax these publications, which are essential to the well-being of the farmers of the community. Under this schedule, if a person desired to post, say, two copies of the *Sydney Mail* or of the *Australasian* to a friend, he would be unable to do so for 1d.

Sir PHILIP Fysh.—The first portion of the schedule is specially intended to deal with bulk parcels posted by newspaper proprietors.

Mr. O'MALLEY.—I wish to provide that if a person desires to post two copies of weekly newspapers such as those I have mentioned, he shall be able to do so for 1d. I desire to substitute 20 ozs. for 1 lb., because it will prevent a lot of complication in the future.

Mr. DEAKIN (Ballarat — Attorney-General).—I can assure the honorable member that his proposal, if adopted, will have an effect different from that which he desires. I perfectly understand the object which he has in view, and am sure that it can be accomplished by amending the second portion of this schedule. His desire is that two newspapers contained in one wrapper, and weighing not more than 20 ozs., shall be carried by the Postal department for 1d. But I would point out that the first portion of this schedule relates entirely to newspapers posted in bulk by registered newspaper proprietors.

Mr. WATSON.—But the two matters are related.

Mr. DEAKIN.—I was under that impression at the first glance. But it does not necessarily follow that, because we extend a concession to private individuals who wish to send one or two newspapers through the post, we should adopt the same course in regard to registered newspaper proprietors. The two things do not hang together—the one is not a necessary consequence of the other. The difference in loss to the Post-office is great. All that the honorable member for Tasmania desires can be accomplished by an amendment of the second portion of the schedule.

Sir WILLIAM McMILLAN (Wentworth).—After the debate that has taken

place, I certainly think that the Minister might agree to increase the weight limit in connexion with the carriage by the department of newspapers in bulk. It is proposed to charge $\frac{1}{2}$ d. for 8 ozs. for newspapers posted in the ordinary way, and yet to charge 1d. per lb. of 16 ozs. on the aggregate weight of newspapers posted "without condition as to number, by registered newspaper proprietors, or returned by an agent or news-vendor to a publishing office."

Mr. DEAKIN.—That is a special arrangement for the benefit of newspaper proprietors.

Sir WILLIAM McMILLAN.—I say that the arrangement is not liberal enough, and I do not see why the charge should not be $\frac{1}{2}$ d. per lb.

Sir MALCOLM McEACHARN.—There was a similar regulation in each of the States; but this is more liberal.

Sir WILLIAM McMILLAN.—In one State newspapers were carried absolutely free. While ordinary newspapers ought to pay a certain fee, we should do all we possibly can to encourage the distribution of newspapers throughout the Commonwealth. I think we deal very fairly with the country newspapers, but no doubt the great metropolitan journals are eagerly sought for as the literary food of the mass of the people. In order to test the feeling of the committee, I should like to move that the charge be reduced to a halfpenny per lb.

Mr. O'MALLEY.—I ask permission to withdraw my amendment.

Amendment, by leave, withdrawn.

Amendment (by Sir WILLIAM McMILLAN) proposed—

That the word "penny," line 5, be omitted, with a view to insert in lieu thereof the word "halfpenny."

Sir LANGDON BONYTHON (South Australia).—There is one point which I think the committee will appreciate. At the present time newspaper postage prevails in certain States, and neither the people nor the newspaper proprietors in those States raise any objection. But the Bill contains proposed charges which are less liberal than the charges now in existence; and under the circumstances that is scarcely fair.

Mr. DEAKIN.—In what respect is the Bill less liberal?

Sir LANGDON BONYTHON.—At the present time a newspaper weighing 10 ozs. can be sent for a halfpenny, but the Acting Prime Minister seems to distinguish between a single newspaper and newspaper carried in bulk.

Mr. DEAKIN.—I do.

Sir LANGDON BONYTHON.—I contend that the distinction cannot be drawn. If a single newspaper of 8 ozs. is charged a halfpenny, and papers in bulk are charged 1d. per lb., what is the difference?

Mr. DEAKIN.—This is a special arrangement for the benefit of newspaper proprietors.

Sir LANGDON BONYTHON.—If no one is taking exception to the existing arrangement it would be hardly fair for the committee to adopt a less liberal proposal.

Mr. WATSON (Bland).—I trust the committee will not adopt the suggestion of the acting leader of the Opposition. The proposal in the Bill seems fairly liberal, and if papers weighing 10 ozs. are carried for a halfpenny, it will follow that ordinary bulk parcels must be carried at the same rate, namely, 1d. for 20 ozs. as suggested by the honorable member for Tasmania, Mr. O'Malley. A great deal is said about the immense work newspapers are doing, and I admit that they do a great deal in purveying news, although that news is generally coloured by the particular ideas of the proprietors. After all a newspaper is just like any other commercial concern, and the whole basis of the charge imposed on them should be the amount of service rendered. I cannot, therefore, follow the Acting Prime Minister in saying that it is sufficient to charge the big newspapers one halfpenny for each copy of 10 ozs., and to charge the smaller newspapers 1d. for a lb. of 16 ozs. I admit that the matter of delivery may enter into the service rendered.

Mr. DEAKIN.—Eight newspapers are got through for the penny.

Mr. L. E. GROOM.—And those eight newspapers may be delivered at eight different centres.

Mr. WATSON.—That may be so, but a bulk parcel of eight country newspapers are equivalent to one or two papers of large size. I do not think the committee will be acting wisely or equitably if they decree that the big newspapers in the capital cities shall be carried singly at the charge of $\frac{1}{2}$ d. for 10 ozs., while other newspapers are called upon to pay 1d. for

16 ozs. I should prefer to see the proposal to charge $\frac{1}{2}$ d. for single newspapers of 10 ozs. put first, so as to allow a separate decision as to bulk parcels. Whatever is done I am prepared to vote for a charge of 1d. for 20 ozs. all round, rather than for a separate proposal of $\frac{1}{2}$ d. for 10 ozs., but I should not like to go as far as is proposed by the honorable member for Wentworth. The honorable member for Canobolas, a little earlier, stated that the country newspapers had to submit to a great deal of competition from the metropolitan press, but so far as I can see there are very few country newspaper proprietors who are not prepared to pay a reasonable amount of postage. It is admitted that the service rendered is worth paying for, and any objections raised are not worth a great deal of credence.

Mr. THOMSON (North Sydney).—The Acting Prime Minister has omitted to recognise the fact that if an *Australasian*, for instance, which weighs 10 ozs., is allowed to go through the post for $\frac{1}{2}$ d., and the charge per lb. is 1d.——

Mr. JOSEPH COOK.—I rise to order, and I only do so that we may not have a second discussion on this question. The point with which honorable members are now dealing will inevitably arise later on, and there is now before the committee a specific amendment to reduce the charge from 1d. to $\frac{1}{2}$ d.

Mr. THOMSON.—I may put myself in order by supporting the suggestion of the honorable member for Bland to first deal with the question of single newspapers. On the charge for the single newspaper will depend the charge for the bulk parcel.

Sir PHILIP FYSH.—I am unable to see any reason why the two items should not be dealt with separately. Evidently they are inserted here to provide for two separate purposes, the one being solely for the accommodation of newspaper vendors who send their parcels to the railway stations, those stations being recognised as receiving offices, from which the papers can be sent in bulk to the various townships.

Mr. McCAY.—Even if the two are separate, the committee wants the second paragraph to be taken first.

Sir WILLIAM McMILLAN.—A suggestion has been made which, it seems to me, is conducive to the despatch of business. Let the Minister take the second paragraph first, and then let us decide upon the

weight of the single newspaper, as some honorable members think the one rate ought to affect the other. Perhaps the Minister will be able to say whether he will accept 10 ozs. instead of 8 ozs.

Sir PHILIP FYSH.—I am not prepared to accept 10 ozs., but I am prepared to take the second paragraph first. There is a verbal amendment to be made in that paragraph.

Amendment, by leave, withdrawn.

Amendment (by Sir PHILIP FYSH) agreed to—

That the word "transmission," line 9, be omitted, with a view to insert in lieu thereof the word "delivery."

Mr. BROWN (Canobolas).—I move—

That the word "halfpenny," line 10, be omitted, with a view to insert in lieu thereof the word "farthing," and that the word "eight" be omitted, with a view to insert in lieu thereof the words "six ounces and under."

The effect of this amendment will be to make the rate for each newspaper $\frac{1}{4}$ d. for 6 ozs. I shall propose that the rate be $\frac{1}{2}$ d. for over 6 ozs. That is only a fair rate, because a good many of our country publications are under 6 ozs. in weight.

Amendment negatived.

Mr. O'MALLEY.—I move—

That the word "eight," line 11, be omitted, with a view to insert in lieu thereof the word "ten."

I think it will be admitted that we want to have as many good magazines as possible circulating throughout the Commonwealth, and do not want to do anything to limit their circulation. The rate proposed by the Government will interfere with the circulation of many excellent publications. I see no object in that.

Sir PHILIP FYSH.—Before honorable members vote upon the proposal of the honorable member for Tasmania, Mr. O'Malley, it is just as well that they should understand to what an extent his amendment will affect newspapers that already circulate throughout the Commonwealth. In Victoria there are between 290 and 300 registered newspapers. The average weight of them is $2\frac{1}{2}$ ozs.

Mr. WILKS.—They are all very heavy publications!

Sir PHILIP FYSH.—They may be, so far as concerns their matter, but their weight avoirdupois is scarcely ever up to 8 ozs. I see that there is one newspaper which weighs 9 ozs., namely, the *Australasian*, but the price

of that is 6d. The *Mining Standard* weighs 8½ ozs. In the information supplied to me these are the only publications that I can detect the weight of which is above 8 ozs. The amendment therefore would simply have the effect of giving an advantage to two or three newspapers.

Sir WILLIAM McMILLAN.—It puts them all on a level.

Sir PHILIP FYSH.—If the *Australasian* is sent to Brisbane in bulk, it will be carried, under the proposed rates, at an immense advantage, as compared with present rates.

Mr. O'MALLEY.—If we do not reduce the rate, the *Australasian* will have to be printed on Chinese or Japanese paper.

Sir PHILIP FYSH.—I must impress upon the attention of honorable members that there are about 1,300 mail contractors throughout the Commonwealth, and the heavier we make the weight of the newspapers which they have to carry the higher will be their contract rates on the next occasion when tenders are called for.

Mr. HARTNOLL.—The newspapers are carried for ½d. now.

Mr. DEAKIN.—Yes; within a State, but this rate is to be for the whole Commonwealth.

Sir PHILIP FYSH.—If the mail contractors have to carry a heavier weight of publications, it can easily be seen how much higher their tenders will be. The proposed reduction amounts to asking the department to carry these newspapers for one-fourth of the return which they would receive under the rate proposed.

Sir WILLIAM McMILLAN (Wentworth).—I think that, whatever limit of weight we agree upon, it should include the great weeklies of Australia. They contain every class of news—not the mere gabble of the town, but information of a substantial character, relating to all sorts of subjects; and they are of great importance to those in the interior. It would be a shaveling policy to exclude some of these papers from the ½d. rate merely because they slightly exceed 8 ozs. in weight.

Sir MALCOLM McEACHARN (Melbourne).—I should like to know why the Government propose to reduce the limit of weight from 10 ozs. to 8 ozs. A return which has been circulated amongst honorable members gives the rates of postage at present levied upon newspapers posted in the respective States for transmission within the

Commonwealth, and I find that in Victoria, Queensland, and South Australia, papers weighing up to 10 ozs. are carried for ½d. Why should we penalize certain important weeklies?

Mr. SALMON.—It is not the newspaper proprietors who would be penalized, but the country readers.

Sir MALCOLM McEACHARN.—Yes. Those in the bush who depend upon these newspapers for their news will be called upon to pay the postage.

Sir PHILIP FYSH.—As honorable members are so much opposed to any reduction in the limit of weight, I will give way.

Amendment agreed to.

Sir WILLIAM McMILLAN (Wentworth).—I think that the charge for the carriage of newspapers in bulk should not be excessive. It must be remembered that in New South Wales all newspapers have hitherto been carried free, but in future the Commonwealth will receive ½d. from every newspaper that is posted. Newspapers, as literature, are different from ordinary merchandise, and while a certain amount should be paid for their carriage, that amount should not be excessive. I move—

That the word "penny," line 5, be omitted, with a view to insert in lieu thereof the word "halfpenny."

Mr. McCAY (Corinella).—I would point out that, under the proposals of the Government, ten newspapers, each weighing 2 ozs., would be carried for 1d. If that is not a reasonable rate, I do not know what is.

Mr. BROWN (Canobolas).—If the newspaper proprietor forwards to a country town as a bulk parcel 200 or 300 copies of an issue, separately addressed to the subscribers in that town, will he have to pay for them at the rate provided for bulk parcels, or at the rate provided for separate papers?

Mr. DEAKIN.—They will be paid for as a bulk parcel.

Mr. BROWN.—I understand that the acting leader of the Opposition wishes to reduce the rate for bulk parcels from 1d. for 20 ozs. to ½d. for 16 ozs. I am in favour of that proposal.

Mr. JOSEPH COOK (Parramatta).—The theory held by some honorable members is that newspapers should be carried in just the same way as any other kind of merchandise. I should like to know, in the first place, of any commercial firm that would charge as much for carrying a

ton weight 20 miles as for carrying it 3,000 miles. Is that a commercial proposal?

Mr. WATSON.—Yes. It is done under the zone system on railways on the Continent.

Mr. JOSEPH COOK.—It is not done here. If newspapers are to be regarded as ordinary merchandise, the rules which ordinarily apply to merchandise should apply to them; but we are proposing to charge over £9 per ton for carrying them for 30 miles, and then we are prepared to carry them for 3,000 miles for the same amount. Any proposal to apply the same rates as are applied to ordinary merchandise is ridiculous on the face of it. We are doing no such thing. I shall support the proposal of the honorable member for Wentworth. I do not think it is an outrageous proposal even in view of what we have agreed to already in regard to the single newspaper rate. I cannot see that the bulk parcel has any necessary relation to the single newspaper, because the bulk parcel of newspapers may mean anything between two and 1,000 newspapers. If we have two newspapers in a parcel, it is a bulk parcel, and the same rate is proposed for two as for 1,000, while an entirely different rate is proposed for one.

Mr. WATSON.—Will the honorable member support the zone system in connexion with this matter?

Mr. JOSEPH COOK.—No. I am only showing the absurdity of applying a commercial rate to it. No railway or carrying company will carry goods 3,000 miles for the amount for which they will carry them 3 miles.

Mr. WATSON (Bland).—The honorable member for Parramatta seems to be annoyed because some of us, who are not prepared to give the earth to the newspaper proprietors, are prepared to give them some consideration. He thinks that we should carry their merchandise absolutely free, and when we do not carry a counter proposal to the utmost extreme, the honorable member is still dissatisfied. I cannot understand the extent to which the honorable member wishes we should go.

• Sir MALCOLM McEACHARN (Melbourne).—I point out that the rate charged in every one of the States in the past upon newspapers carried in bulk was 1d. per lb.

Mr. DEAKIN.—We are now reducing the rate to 1d. for 20 ozs.

Sir MALCOLM McEACHARN. — I think the Ministry are wrong in that, because 1d. per lb. is a fair rate. I desire to point out that the New South Wales authorities established a difference between the rates charged upon papers published in Victoria and those published in their own State. They charged $\frac{1}{2}$ d. on 2 ozs. for newspapers published in Victoria, and 1d. for anything over 2 ozs. and up to 8 ozs. Under the circumstances, the Government are extremely liberal in proposing a rate of 1d. for 20 ozs.

Mr. THOMSON (North Sydney).—In reply to the honorable member for Melbourne, I would point out that we should have got into an absurd position if we had not adopted some concession on the first item in the schedule, if we agree that a single newspaper weighing 10 ozs. should be carried for a halfpenny. Again, the honorable member's statement as regards the differentiation of the rates by the New South Wales authorities is, I think, incorrect to this extent: that the charge was made because Victoria would not reciprocate by agreeing to carry newspapers posted in New South Wales free. If Victoria had been willing to reciprocate, there would have been no differentiation in the rates.

Mr. DEAKIN.—The Victorian authorities could not carry New South Wales newspapers free, and charge postage upon their own.

Mr. THOMSON.—They could, of course, because, if they got the same advantage in New South Wales, where would be the difference? That would surely have been a natural exchange. I can quite understand the policy that would be supported by the Victorian authorities, that they should accept free carriage of newspapers in New South Wales and charge postage upon them in Victoria; but the fair exchange was for New South Wales to treat the Victorian newspapers as they treated their own. They would do unto their neighbour as they did to themselves. It appears, therefore, that the differentiation all came from the other side. I consider this matter upon commercial lines, and I have always, in the New South Wales Parliament, supported the payment of postage by newspapers. The question is what difference should the Commonwealth make as between the delivery of every individual newspaper through the post to

the person to whom it is addressed, and the receipt and delivery of newspapers in bulk—the receipt from one person or firm, and delivery to one person or firm in bulk.

Mr. McCAY.—The difficulty is that there is a bulk delivery at certain offices, and an individual delivery to the recipients at the bulk rate.

Mr. THOMSON.—What we are dealing with now is described in the schedule as the charge to be made upon all newspapers posted for delivery within the Commonwealth—without condition as to the number contained in each addressed wrapper—by registered newspaper proprietors or by newsvendors, or returned by an agent or newsvendor to the publishing office. Newspapers are sent in bulk for delivery by agents. I think that the charge for delivery should be that proposed by the honorable member for Wentworth, and I shall support his amendment.

Mr. BROWN (Canobolas).—The honorable member for Melbourne has led the committee to believe that there is a considerable difference between the treatment meted out to the newspaper proprietors of New South Wales and Victoria. New South Wales has hitherto had free postage.

Sir MALCOLM MCEACHARN.—New South Wales has had to pay 1d per lb. for the carriage of newspapers in bulk in this way.

Mr. BROWN.—Prior to federation, the carriage of parcels in bulk was a matter of arrangement between the Postal department and the railway people. The Federal Postmaster-General, however, has declined to continue that arrangement, and the matter is one of special agreement between the Railways Commissioners and the newspaper proprietors. I have before me a report of the evidence taken on the 2nd July last by a committee now sitting in Sydney to deal with the carriage of newspapers on Government railways. On that occasion, Mr. Harper, Chief Traffic Manager of the New South Wales railways, was examined, and the following question was put to him by the chairman, Mr Dacey—

If the *Argus* or the *Age*, published in the adjoining State of Victoria, sent 1 cwt. of papers over here, full rates would be charged?

To this, Mr. Harper replied—

No. In such a case we should charge quarter published rates—that is a matter of Inter-State arrangement. The Victorian authorities charge their reduced rates on all registered newspapers leaving here, and we do the same with all

registered newspapers from their State. That does not apply to books and periodicals which are registered outside Australasia.

It will thus be seen that the daily newspapers published in Melbourne obtain the same concessions on the New South Wales railways as those given to the Sydney dailies on the Victorian lines.

Sir MALCOLM MCEACHARN.—If the honorable member's statement be correct, the return from which I have quoted must be wrong.

Mr. BROWN.—I have not had an opportunity of examining that return, but I presume that the Chief Traffic Manager of New South Wales would not give sworn testimony of this character if it were not correct. I think that the objection raised by the honorable member for Parramatta is a good one, and that it is ridiculous to impose this heavy charge upon newspaper publishers. If it is persisted in it will lead to a repetition of what has occurred in this State. That is to say, fully 75 per cent. of the newspapers in bulk will be dealt with privately. Instead of the department receiving the benefit of this revenue, the money will go into the hands of mail contractors, who will be able to undercut the department if this high rate is adopted. It seems to me that there is a disposition on the part of some honorable members to deal with newspapers as ordinary articles of commerce, so far as their carriage is concerned, and to place prohibitive charges upon them to such an extent that they would not receive the fair play accorded to ordinary merchandise. I think that the desire of some honorable members is to prevent the transmission of newspapers. I am not in sympathy with that desire, and I am prepared to support the amendment moved by the honorable member for Wentworth.

Amendment negatived.

Amendment (by Sir PHILIP Fysh) agreed to.

That the word "lb." be omitted, with a view to insert in lieu thereof the words "20 ozs."

Schedule, as amended, agreed to.

Progress reported.

SPECIAL ADJOURNMENT.

Mr. DEAKIN (Ballarat — Attorney-General).—I move—

That the House at its rising adjourn until eleven o'clock to-morrow.

By meeting at the earlier hour it is hoped we may deal with the remaining schedules of

the Post and Telegraph Rates Bill, and thus enable honorable members, who so desire, to return to their homes by the afternoon train. According to present appearances we shall have the Customs Tariff Bill returned from the Senate by the close of this week, for consideration when the House meets next week; and, having regard to the serious issue that lies before us, it is desirable that the consideration of the Post and Telegraph Rates Bill should be completed before we adjourn to-morrow.

Question resolved in the affirmative.

House adjourned at 10.55 p.m.

Senate.

Thursday, 28 August, 1902.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

CUSTOMS DUTIES : DISPUTES.

Senator DOBSON asked the Vice-President of the Executive Council, *upon notice*—

1. How many cases are there in which the amount of duty payable under the Customs Act 1901 is in dispute, which now remain unsettled, owing to the Minister for Customs having not yet settled the dispute or decided what course shall be adopted?

2. Have not many of such cases remained undecided for long periods, and have not some importers complained of the delay?

3. Has the Minister refused, and, if so, in how many cases, to settle such disputes, as he is empowered to do by Part 15 of the Customs Act, and has he determined that such disputes must in most cases be decided by a court of law?

4. Has the Minister adopted any uniform practice with regard to the matters mentioned in question 3, and have importers been informed of such practice?

5. In cases of disputes as to the duty payable, are importers allowed to obtain their goods on depositing amount of duty claimed or giving a bond, and has the Minister adopted a uniform practice in this respect, and have importers been informed of such practice?

Senator O'CONNOR.—The answers to the honorable senator's questions are as follow :—

1. Cases of dispute as to duty are of frequent occurrence, and must be so till the Tariff is settled, and during its earliest administration some delay is inevitable. Great efforts have been made to prevent this, and not more than about a couple of dozen cases of dispute as to rate of duty now remain for Ministerial decision, and these will be disposed of during the week.

2. Yes.

3 and 4. The Minister is not aware of any application having made to him to hold a public inquiry under the part of the Act referred to, and he favours no withdrawing from courts of justice of matters properly coming before them in relation to contraventions of the Act.

5. Yes. By repeated order, and by issue of the attached circulars.

CIRCULAR WIRE TO ALL STATES.

Minister instructs as follows:—I do not wish merchants to be in any way harassed, say, by unnecessary detention of their goods. Section 167 applies to enable the owner to get his goods on deposit of duty claimed in any *bond fide* case of dispute as to duty. The public may be reminded as to this in any such case or generally.

Memo.

GOODS UNDER SEIZURE AND IN DISPUTE.

In order to avoid unnecessary detention of goods under seizure, or detained by reason of errors in declarations and entries, the Minister directs that—

Except when the possession of seized goods is necessary for the purposes of the proof of any case, or fraud or smuggling is believed to have been committed, seized goods may be delivered on compliance with section 206.

Where seized goods are necessary for purpose of any case, and a sample will suffice, the balance may be delivered in terms of paragraph (1) on taking a sample.

The security is preferred to be a cash deposit, but so long as clearly sufficient bond or guarantee will suffice, if approved by the department.

This does not limit the duty of the department to deliver on deposit of duty under section 167 where it is a simple case of dispute as to duty.

The terms of the security under section 206 to be for payment "of their value in case of their condemnation or their forfeiture in any way," and when there is no dispute as to value this may well be stated.

In addition to the security referred to above in all cases the amount of duty involved must be deposited in cash.

The Collector of Customs,
All States

TOBACCO MANUFACTURE.

EXCISE REGULATION.

Senator PULSFORD asked the Vice-President of the Executive Council, *upon notice*—

1. Referring to the regulation issued by the Minister for Customs by which tobacco manufacturers are permitted to use free of duty the following articles, viz.:—Glucose, spirits, glycerine, liquorice, sugar, spice, starch, starch flour, cigarette paper, cork manufacture for tips, flavouring essences, essential oils, and tags—is this regulation issued under the clause in the Tariff schedules authorizing the Minister to grant

the free use of "minor articles" in certain cases?

2. What aggregate amount of revenue is lost by these remissions over the whole Commonwealth; or, if this cannot be given, what is the aggregate amount for New South Wales and Victoria, or for either of them?

Senator O'CONNOR.—The answers to the honorable senator's questions are as follow:—

1. No. It is issued under the Excise Act 1901, section 24.

2. It is considered that nothing is lost, unless it is desired that these goods shall pay double duty, for underweight is added to and included in the weight of the manufactured tobacco, cigars, cigarettes, and snuff, for the purposes of duty. This is similar to the practice which for many years has obtained in New South Wales and Victoria, and, it is believed, in all the States which have tobacco factories.

CUSTOMS TARIFF BILL.

In Committee (Consideration of House of Representatives' message resumed from 27th August, *vide* page 15448):

Item 63. Hats and caps, viz:—Men's, women's, boys', and children's felt hats, per doz., *ad valorem*, 30 per cent.

Senate's Request.—That the duty be reduced to 25 per cent.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR (New South Wales—Vice-President of the Executive Council).—I move—

That the request be not pressed.

When the Tariff was introduced, a duty of 3s. per dozen was proposed, but the other House decided that it should be 30 per cent. *ad valorem*, which the Senate desired to be reduced by 5 per cent. On the one hand, it is urged—and on the best possible evidence it has been shown—that a duty of 30 per cent. is absolutely necessary for the preservation of the industry. In Victoria the specific duty on a number of these items was very considerably more than 30 per cent., so that there has been a very great reduction in that State. Since the Tariff was introduced, not only have the Victorian factories continued their operations, but in New South Wales a factory has been started on an enlarged plan, and the opinion on all hands seems to be that unless the duty of 30 per cent. is maintained, it will be impossible to carry on the industry satisfactorily. There is a difference of 5 per cent. between the Houses, and as the issue now is not only whether the duty should be what is proposed, but whether there should

be an agreement come to by the Senate, I ask honorable senators not to press the request.

Senator HIGGS (Queensland).—From the silence of the Opposition I should imagine that there is some hope of getting this item disposed of quickly. I desire to refer to some quotations which have been used to influence honorable senators. One quotation is dated 1st January last, and reads as follows:—

Ex Perthshire.			
2 doz. black Briham hats, 69s. ...	£6	18	0
1 „ „ Monmouth hats, 69s. ...	3	9	0
2 „ „ Bogner hats, 69s. ...	6	18	0
2 „ „ Bude hats, 69s. ...	6	18	0
2 „ „ Marlboro hats, 69s. ...	6	18	0
1 „ „ Honiton hats, 69s. ...	3	9	0
1 „ Silk Barron, A.B., 132s. ...	6	12	0
1 „ Cork Coburg, doz., 14s. ...	7	1	0

£48 3 0

89 boxes, 3½ ...	1	6	0
67 x 51 x 31, case lined tin ...	1	15	3

£51 4 3

3½ dis. ...	1	18	5
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£49 5 10

Insurance ...	£0	7	3
Cartage ...	0	2	6
Boxes ...	1	6	0
Case ...	1	15	3
Duty ...	15	14	2
Wharfage ...	0	4	9
Customs entry ...	0	3	6
Freight ...	4	13	11
Bank exchanges ...	2	12	2
Colonial stamps ...	0	2	0

£27 1 6

Less discount ...	2	7	2
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Net ... £24 14 4

This document was quoted by an honorable senator, whose name I do not desire to give, to show that the natural protection amounted to about 50 per cent. It was not fair to include the duty in the natural protection. We understand that term to include oversea charges.

Senator PULSFORD.—Is the honorable senator using some figures which I showed to him?

Senator HIGGS.—Yes.

Senator PULSFORD.—The honorable senator is not quoting me correctly.

Senator HIGGS.—I shall be very glad to compare notes with the honorable senator. These goods were brought out by the *Perthshire*—a most expensive method of bringing out goods, and no criterion as to the competition with which the hat manufacturers

have to contend. That competition is that of the hat manufacturers of the old country, whose products are brought out here by tramp steamers and sailing vessels, by cheap freight vessels, such as the French and German subsidized steamers, and by ships such as those of the White Star line. Having given these figures to the Senate, I invite Senator Pulsford to point out in what particular I have misrepresented him. I think that what I have quoted is almost an exact copy of his quotation. It was as exact as I could make it.

Senator Sir JOSIAH SYMON (South Australia).—I hope the committee will adhere to its request in this case. This duty of 25 per cent. was arrived at practically by way of compromise. It is only a reduction of 5 per cent. on the duty that came up to us. From the point of view of revenue, and of being careful not to do anything but what is reasonably fair and right to existing industries, the duty was fixed at 25 per cent. There was a very high duty in Victoria, which no doubt had the effect of benefiting the hat factories here. The products of these factories were regarded in the other States as an illustration of the injurious effects of protection, because their hats were sold at a lower price in South Australia than in Melbourne. It was felt that the Victorian rate was extravagantly high and everyone, without any desire suddenly to cut away every shred of protection, felt that a comparison might fairly be instituted with the duties in the other States. In Queensland and South Australia the duty was 25 per cent. The Tasmanian duty was 20 per cent., and the Western Australian duty was 15 per cent. We accepted 25 per cent. as not only a fair but a generous measure of protection to the existing industry, which has been established for 30 years in Victoria, and which now, having the enlarged market of Australia open to it, should be able to compete on advantageous terms with the hat factories which have been established in other States. It would only have been a fair thing for the House of Representatives to accept our request, and I believe that on re-consideration they will do so. I mentioned yesterday, with regret, that we have not before us the reasons why the House of Representatives has declined to accept our suggestions. Certainly in regard to this item they might fairly have looked upon what we requested as a compromise. The duty on

this item was carried in the House of Representatives by a majority of two, and the duty on the next item, sewn hats and caps, was carried by a majority of four. The majority in the House of Representatives which declined our request was four. I cannot help feeling that our request in this instance was treated somewhat cavalierly. I do not say that in a spirit of complaint, but certainly it is to be remarked that the majority in another place was only the same as that which carried the request in the Senate—a House with only half as many members. I feel sure that on reconsideration the members of the House of Representatives will see, if they turn to the debates, that the request was tendered in a conciliatory spirit.

Senator HIGGS (Queensland).—I ask the indulgence of the committee while I quote a few words which have a considerable relation to our proceedings, and also to the general discussions on the Tariff. The quotation appears in *London Truth*, of July 7th, 1902. The passage I wish to quote is this—

I once asked the first Sir William Hayter, so long the chief Liberal whip, whom in his experience he thought the best leader of the House. "Johnny Russell," he said. "You had only to pull his coat tail, and to tell him that we were ready for a division, when he sat down in the middle of a sentence." This was perhaps going a little too far in a natural desire to make progress. I have always thought, myself, Mr. Disraeli the best leader that I have known. He never left the House. He very seldom interrupted in debate, but if matters got somewhat tangled, he set them right with a few words.

I urge the honorable and learned senators who are leading both sides to make a note of this paragraph and see whether they can not arrange to let us get through this schedule rather more quickly than we are likely to do if they make such long speeches as the last speaker has done.

Question — That the request be not pressed—put. The committee divided.

Ayes	...	...	12
Noes	...	...	14
—			
Majority	...	...	2

AYES.

Barrett, J. G.	O'Keefe, D. J.
Dawson, A.	Playford, T.
Drake, J. G.	Stewart, J. C.
Glassey, T.	Styles, J.
Higgs, W. G.	
McGregor, G.	Teller.
O'Connor, R. E.	Keating, J. H.

NOES.		AYES.	
Baker, Sir R. C.	Neild, J. C.	Barrett, J. G.	O'Keefe, D. J.
Charleston, D. M.	Pearce, G. F.	Dawson, A.	Playford, T.
Clemons, J. S.	Pulsford, E.	Drake, J. G.	Stewart, J. C.
De Largie, H.	Sargood, Sir F. T.	Glassey, T.	Styles, J.
Dobson, H.	Symon, Sir J. H.	Keating, J. H.	
Ewing, N. K.		McGregor, G.	Teller.
Gould, A. J.		O'Connor, R. E.	Higgs, W. G.
Millen, E. D.			
Teller.		Teller.	
Macfarlane, J.		Higgs, W. G.	
PAIRS.		NOES.	
For.	Against.		
Cameron, C. St. C.	Walker, J. T.	Baker, Sir R. C.	Neild, J. C.
Zeal, Sir W. A.	Ferguson, J.	Charleston, D. M.	Pearce, G. F.
Downer, Sir J. W.	Harney, E. A.	Clemons, J. S.	Pulsford, E.
Best, R. W.	Matheson, A. P.	De Largie, H.	Sargood, Sir F. T.
		Dobson, H.	Smith, M. S. C.
		Ewing, N. K.	Symon, Sir J. H.
		Gould, A. J.	Teller.
		Macfarlane, J.	Millen, E. D.
Question so resolved in the negative.		PAIRS.	
Item 63. Hats and caps sewn, <i>ad valorem</i> , 30 per cent.		For.	Against.
<i>Senate's Request.</i> —That the duty be reduced to 25 per cent.		Cameron, C. St. C.	Walker, J. T.
<i>House of Representatives' Message.</i> —Amendment not made.		Zeal, Sir W. A.	Ferguson, J.
Senator O'CONNOR.—I move—		Downer, Sir J. W.	Harney, E. A.
That the request be not pressed.		Best, R. W.	Matheson, A. P.
The only point which I desire to mention in addition to what I have already said, is that a large portion of the material which is used in the making of these sewn hats and caps has to be imported and pays a duty of 15 per cent., so that in regard to all sewn hats and caps made from imported material only a margin of 5 per cent. would be left for the manufacturer, if the request were adopted.		Question so resolved in the negative.	
Senator Sir FREDERICK SARGOOD.—That is 5 per cent. more than the Government allowed for apparel.		Item 68. Socks and Stockings, cotton, 10 per cent.	
Senator O'CONNOR.—That is not an answer to my statement. Five per cent. protection is certainly not enough. The whole matter has already been before the committee, and, in the interests of a settlement of the Tariff, I hope that honorable senators will abandon this request.		<i>Senate's Request.</i> —That the word "cotton" be omitted, and the words "except silk or containing silk" be inserted.	
Senator Sir JOSIAH SYMON (South Australia).—I desire only to say that on this line the majority before was twice as large as what it was when our request was refused. We should really stultify ourselves if we abandoned this request, because the margin allowed to the manufacturer of hats and caps is 5 per cent. greater than that extended to the manufacturers of apparel. It only shows what a remarkably good time the manufacturers must have had in Victoria under the higher duty.		<i>House of Representatives' Message.</i> —Amendment not made.	
Question — That the request be not pressed—put. The committee divided.		Senator O'CONNOR.—I move—	
Ayes 12		That the request be not pressed.	
Noes 15		I think that a short explanation is necessary in order that honorable senators may understand how this matter stands. Under the Tariff as it came up here, woollen and silk socks and stockings were subject to a duty of 25 per cent. under the heading of apparel. It was intended to treat cotton socks and stockings in an exceptional way by imposing upon them a duty of 10 per cent. The effect of the Senate's request, however would be to make all socks and stockings except those made of silk or containing silk liable to a duty of 10 per cent. Thus, the local maker of woollen socks from imported yarn would have no protection whatever, because a duty of 10 per cent. is fixed upon imported yarns, as honorable senators will see by referring to that item. The two items must be taken together. The committee resolved that the House of Representatives should be requested to reduce the duty on yarns from 10 to 5 per cent., on the ground that there were only a very few manufacturers of yarn in Australia; that those manufacturers made them principally for their own use; that it was very difficult for the smaller manufacturers of woollen socks to obtain yarns from them, and that	
Majority 3			

if the duty were allowed to remain they would be placed in the hands of these manufacturers or else compelled to pay a duty which would be very hard for them to bear. I find on making some inquiries, however, that the manufacture of yarns is really a larger industry than was supposed. In a memorandum from the Collector of Customs at Sydney the following statement appears :—

On the approach of federation, and in a certain anticipation of a reasonable duty, a complete plant for the manufacture of yarns, worsted and woollen, was imported into this State, and is now in full working order, the number of hands directly employed being above 40. A 10 per cent. rate is considered the lowest at which it would be profitable to manufacture; and should the suggested reduction be adopted, any further development of the industry could not be thought of; in fact, it is doubtful if present operations could be continued.

I invite the special attention of honorable senators from New South Wales to this statement. They have often expressed a desire to benefit the manufactures of that State, and they have now an opportunity to do so. There can be no doubt, from this statement, that a duty of 10 per cent. is the lowest which can be imposed if we are to give any protection to the yarn-making industry. I hope that we do not desire to destroy such an industry as the making of yarns from our own wools, which not only gives employment, but utilizes our own raw material. I take it that we desire to give some protection to the manufacturer if we can do so, and that we also desire to give a protection to the manufacture of stockings from these yarns. The only way in which that can be done is by leaving the duty on woollen and silk stockings at 25 per cent., and the duty on yarns at 10 per cent. That will leave a margin of 15 per cent., and the manufacturers of yarns and stockings in both these branches will be served. On the other hand, if we do adopt the expedient of cutting down the duty on these socks to 10 per cent., and reducing the duty on yarns to 5 per cent., we shall leave the very miserable protection of 5 per cent. to the maker of woollen socks, and give no protection whatever to the manufacturer of woollen yarns. It seems to me that both these matters have to be considered, and I hope the duties will be allowed to stand.

Senator Sir JOSIAH SYMON.—Leave the duty on yarns at 10 per cent.?

Senator O'CONNOR.—Yes. If we leave the duty at 25 per cent., it will give the

maker of woollens a protection of 10 per cent., which is the least he can do with, and it will give the maker of stockings a protection of 15 per cent. I hope that in this matter I shall have the assistance not only of protectionists, but those of my free-trade friends of New South Wales, who are willing to realize that we have entered upon a new condition of things. I was very much struck by the way in which the matter was put some time ago by my honorable friend, Senator Neild. The honorable Senator spoke as a free-trader, but I think I am quoting the substance of his remarks when I remind the committee that he said that he recognised that under this Tariff industries were being protected, that protection was part of the policy of the country, and he would therefore take care that wherever a New South Wales industry might be benefited by a reasonable amount of protection, he would see that it got it.

Senator Lt.-Col. NEILD.—I did not go as far as that.

Senator O'CONNOR.—The honorable senator will remember that he was speaking upon the tobacco duty at the time, and it appeared to me that he put the matter very fairly indeed.

Senator Lt.-Col. NEILD (New South Wales).—The honorable and learned senator will perhaps permit me to say that in the speech to which he referred, what I said was simply this: That as, in common with other free-traders, I was compelled, in connexion with this Tariff, to vote for a great deal of protection for many industries, I was not prepared to overlook the claims of industries suitable to the circumstances of my own State.

Senator O'CONNOR.—That is practically what I have said, only the honorable senator has put it in a very much better form. I say that that is a sensible position for any honorable senator to take up, whatever his views may have been before. In the same way many protectionists here would like to see very much higher protective duties imposed, but they recognise that there must be revenue, and they are therefore willing to come down from the standard of duties to which they have hitherto been accustomed in several of the protectionist States. Under all the circumstances, I say that the best way to adjust matters will be to leave the duties as they

were when the Tariff was first introduced into the Senate, leaving the duty at 25 per cent. in this case, and when we come to yarns agreeing to a duty of 10 per cent. I hope that the committee will not press the request.

Senator Sir JOSIAH SYMON (South Australia).—I do not intend to enter into the controversy which may be initiated by reference to the expressions used by Senator Neild in connexion with the tobacco industry. I point out that the difference between the two sides is, that whilst we on this side from a feeling of kindness and a desire that no immediate injury should be done to any existing industry, are prepared to agree to a reasonable amount of protection, we find that honorable members on the other side, whilst quite willing to impose protective duties, are never prepared to approach the views of free-traders by expressing any willingness to reduce duties. I am sure that Senator Barrett must have been delighted to hear the views expressed by the Vice-President of the Executive Council in connexion with yarns, and which seemed to me to support Senator Barrett's views in favour of a reduction of the duty on yarns to 5 per cent. and to utterly cut the ground from under the apparent objection on the part of the House of Representatives to accept what, I dare say Senator Barrett thought, was a very reasonable proposal. However, we can deal with that when we come to it. With respect to this particular item, I propose to do exactly what Senator O'Connor has himself suggested—to give the margin of 10 per cent. protection, which he thinks is fair to the makers of socks and stockings. I propose to move a modification of the motion for two reasons, which I shall mention. I propose to strike out the words, "except silk or containing silk," and to increase the duty to 15 per cent., so as to make the rate on these items uniform. The two reasons which operate are these: First of all, there is always a difficulty where exceptions are made; and if the result of securing revenue without doing injustice to any industry can be achieved without complicating the work of administration, it should be done. We know that there are difficulties in the administration of the department of Customs which have caused a great deal of irritation and discontent. It is possible that a difficulty will be created if a discrimination is made by the introduction

of these words, "except silk or containing silk," and it will be better under all the circumstances to have a uniform duty of 15 per cent. The proposal will be somewhat against the views held by my honorable friends and myself, but we are prepared to make a liberal concession in order to secure a compromise. Fifteen per cent. represents about the mean of the duties applicable to the different kinds of socks and stockings. As the Vice-President of the Executive Council has mentioned, the duty as proposed in the Tariff when introduced in the Senate was 25 per cent. on silk and woollen socks and stockings, and 10 per cent. on socks and stockings made of cotton. The Senate carried a request for a uniform duty of 10 per cent. That is rather low if we take a fair mean of the duties all round. Fifteen per cent. is a fair mean all round, and will afford exactly the measure of protection which Senator O'Connor has said is sufficient for the local makers of socks and stockings. If Senator Barrett's proposal that the duty on yarn should be 5 per cent. is agreed to, and the committee agree to the modification I suggest—that the duty in this case should be 15 per cent. all round—there will be a 10 per cent. margin of protection provided, and we shall have the advantage of a uniform duty. If, on the other hand, the duty on yarn is increased to 10 per cent. and the duty upon socks and stockings is left at 20 per cent., the same margin of protection will be afforded. I think the House of Representatives will agree that it will be a great advantage to put the whole thing on a uniform basis. I do not myself see why poor people should be compelled to wear only cotton goods, and if discrimination is made between cotton and woollen goods, we shall have difficulty introduced, as we have had in the case of flannelettes. I am informed by experts that it is impossible sometimes to tell whether goods are woollen or cotton goods. I therefore move—

That all the words after the word "be" be omitted, with a view to insert in lieu thereof the words "modified by omitting the words 'except silk or containing silk' and by requesting the House of Representatives to make the duty 15 per cent."

Senator O'CONNOR.—I do not think that honorable senators quite realize the effect of the amendment proposed by Senator Symon. Our proposal under the Tariff is that cotton socks shall be dutiable at

10 per cent. My honorable and learned friend desires to raise the duty upon cotton socks to 15 per cent. Our proposal is that silk stockings and socks shall be dutiable at 25 per cent., as they should be, and my honorable and learned friend desires to bring them down to 15 per cent.

Senator CLEMONS.—The honorable and learned senator proposes to reduce the duty upon woollen socks, too.

Senator O'CONNOR.—This proposal will reduce the duty on woollen socks by 10 per cent. If Senator Clemons thinks that that should be done he will, no doubt, vote for the amendment. I say that the effect of the amendment will be altogether contrary to the principles upon which we have been acting all through. Surely silk stockings and socks should pay a duty of 25 per cent. as a matter of revenue? On the other hand, we consider that all these cotton socks should be put on a special footing, the same as cotton piece goods are, because, although they are all imported, they are principally used by those who have not a great deal to spend on dress. The position I have put ought alone to be enough to prevent the amendment being carried. My honorable and learned friend is quite mistaken in supposing—he must have misunderstood what I said—that I indicated that I thought 10 per cent. would be sufficient protection for the makers of yarns. What I said was that I thought the difference between the 10 per cent. duty which ought to be paid on yarns, and the 25 per cent. duty which was imposed on woollen socks was a sufficient margin. Of course, if you take the suggestion of the Senate as being accepted, and leave the duty on cotton yarns at 10 per cent., the margin will be only 10 per cent., but I did not advocate that. We ought to return to the position from which we started. Several attempts have been made to change the burden of this tax from the back that ought to bear it to the back which ought not to bear it, and in the case of woollen socks it will have the effect of injuring two industries. I hope the committee will leave the duty as it stood in the Tariff.

Senator Lt.-Col. NEILD (New South Wales).—Although Senator O'Connor was courteous enough to afford me an opportunity to explain the attitude I took up in reference to a matter which he mentioned, I think I am justified in reading a few lines

from the report of my speech on that occasion. I said—

The moral of my observations is that the free-traders from New South Wales have to accept a policy which is so highly protective that we have been deliberately proposing duties of 20 and even 25 per cent. ad valorem, and 300 per cent. specific. When free-traders will advocate and vote for duties as high as 300 per cent., what paltry nonsense it is to profess that we are now to be seized with a spasm of free-trade virtue, and hack to pieces the few industries that are left to a State which has suffered more than any other by the reversal of its fiscal conditions and the destruction of its traditional policy . . . I have had taken from me the policy in which I believed, and now it is a question of degree, and not a question of principle. I shall not vote in favour of protection for the industries of Victoria and the other States, and deliberately set to work to take away every shred of fiscal advantage from industries which flourish in New South Wales.

I have never been a theoretical free-trader. I have never pored over books on free-trade. I do not think that I ever read such a book through, as I found them too dry. My views have been based on that which I thought was best for the country. I do not take any particular interest in the question of socks from the manufacturers' point of view, because I do not think that any are made in New South Wales. My only anxiety is not to place upon the consumer 1d. more of taxation than is needful.

Senator O'CONNOR.—Does not the honorable senator hope that these articles will be made in New South Wales?

Senator Lt.-Col. NEILD.—I shall have no objection so long as the industry comes into existence under rational conditions. Surely the duty, which this side of the Chamber is supporting, is high enough to satisfy the most greedy of protectionists! Surely the duty, which is unwillingly agreed to by this side, ought to be high enough to enable any factory to flourish in New South Wales, if factories ever do flourish under fiscal conditions, which I seriously doubt. I think that the duty is eminently a high one. I cannot vote in the division, because I have paired, but my voice is given in favour of the lower rate of duty, believing it to be sufficiently high for revenue purposes, and if the manufacturing aspect is to be considered, abundantly high for manufacturing purposes.

Senator BARRETT (Victoria).—Unlike Senator Neild, I take a large interest in this proposal. The result of the vote on this item will to a very large extent determine the attitude I shall take in regard to the

duty on yarns, which at my instance it was decided to ask the other House to reduce from 10 per cent. to 5 per cent. The position is largely affected by the action which the committee took on a previous occasion. Originally this line was included under the item of apparel, dutiable at 25 per cent.; but of course the effect of Senator Symon's proposal to strike out the word "cotton" was to subject socks and stockings to a duty of 10 per cent. I intend on this occasion to support the Government, in the hope of obtaining the higher duty of 25 per cent. I think that Senator Symon has made a mistake in this instance. If, instead of making a separate line of these articles dutiable at 15 per cent., he had proposed their inclusion under the head of attire, they would have been subject to a duty of 20 per cent. I desire to emphasize the position I took up previously in regard to yarns. No hosiery yarns are made in Australia. It is quite true that the Ballarat Worsted Company manufacture yarns, but their yarns are made for the sole purpose of manufacturing cloth. So far as that company is concerned, the manufacture of yarns does not affect the item of hosiery which is involved in the present proposal. It has been stated by Senator O'Connor that, since the duty was imposed, a yarn factory has been started by a company in New South Wales. The statement I have made in regard to the Ballarat Worsted Company applies equally to Messrs. Vickers and Company, of New South Wales, who only make yarns for the manufacture of cloth. I am informed on the best authority that their plant is not up-to-date. On a previous occasion I desired yarns to be made duty free, and, if the Government proposal is not carried, I intend, as far as possible, to adhere to the position I then took up. I desire, if possible, to give some relief to the hosiery manufacturers, who will have to pay, under the present proposal, the high duty of 10 per cent. That duty will not encourage the manufacture of yarns, because it is too low. Extensive machinery is requisite—not one plant alone, but a dozen sets of plants—for the manufacture of the many classes of yarns which are necessary, not only for the hosiery makers, but for the cloth manufacturers. For the purposes of protection a 10 per cent. duty is utterly useless. Consequently, the proposal of the Government will not help the hosiery makers. If Senator Symon had

Senator Barrett.

proposed a duty of 20 per cent. instead of 15 per cent., it would have brought the articles under the head of attire, and it would have been in conformity with his original proposal, because, under the circumstances in which we are placed, even supposing that he had proposed the higher duty of 20 per cent. on hosiery and a duty of 10 per cent. on yarns were carried in the Senate, it would have given an effective protection of only 10 per cent.

Senator CLEMONS.—We shall carry the 10 per cent. duty on yarns all right.

Senator BARRETT.—If that statement is correct, the result will be, if the proposal is for a 20 per cent. duty, an effective protection of 15 per cent.

Senator Sir JOSIAH SYMON.—The honorable senator was content with a 5 per cent. duty when the duty on woollen socks was reduced to 10 per cent.

Senator BARRETT.—No.

Senator Sir JOSIAH SYMON.—The honorable senator moved for a 5 per cent. duty.

Senator BARRETT.—Owing to the peculiar position in which we found ourselves I wish to get the higher duty, and I believe that the result of the division will show that the committee is in favour of the higher duty, because in the previous division three of our supporters could not vote, and, if I remember aright, the proposal was carried by a majority of only one or two. But in the present case the position, I admit, is rather involved, and I intend to vote for the higher duty of 25 per cent. If that be carried I shall withdraw my opposition with regard to yarns. If, on the other hand, Senator Symon carries his proposal, I intend to attempt, as I did on a previous occasion, to keep the duty on yarns at 5 per cent.

Senator Sir FREDERICK SARGOOD (Victoria).—We must all have listened with considerable interest to the statement made by the last speaker, who has placed the facts of the case before us fairly and accurately. There is, however, one point which I should have liked him to emphasize rather more, and that is that this duty on yarns is absolutely in the interest of only one firm of manufacturers in Victoria, and one small manufacturer in New South Wales. Those are manufacturers of yarns. If the duty proposed by the Government is passed it will mean that the manufacturers of woollens at Ballarat will

have a handicap against all their competitors in the woollen trade. All the other manufacturers of woollen piece goods will have to pay 10 per cent. on their yarns, because they are not made here. May I also add that the Ballarat machinery, costing £9,000, was practically paid for by the Victorian Government in the shape of a bonus. It is well that these facts should be known. The Vice-President of the Executive Council made a great point about silk stockings, and asked how it was that they were to be taxed at the same rate as cottons.

Senator STYLES.—How long is it since the bonus referred to was paid?

Senator Sir FREDERICK SARGOOD.—Comparatively recently. It is probably not known to many honorable senators that, taking silk stockings and cotton stockings together, the cottons are as expensive as, and often more expensive than the silks; while the cotton goods are often much more expensive than the mixtures of silk and cotton. I also want to dwell upon the strong argument that was used both in another place and here, with regard to the difficulty of administering the Customs Act in regard to these mixed goods. When the duties on apparel were originally introduced by the Government, the duty on goods made partly of wool and partly of silk was 25 per cent., and the duty on goods made partly of other material was 20 per cent. In this form the Tariff was passed in the first instance by another place. As soon as this came to the notice of the merchants, and the difficulty in regard to passing entries at the Custom-house began, it was found practically impossible to distinguish between woollen goods and goods partly of wool and partly of silk. Consequently the House of Representatives made the duty 25 per cent., in the same way as we have now agreed to make the duty on both items 20 per cent. The leader of the House very properly pointed out that it was almost impossible fairly to administer the Tariff in this respect at the Custom-house if there was a different duty in regard to yarns. It is exactly the same with regard to woollen socks and stockings and cotton socks and stockings, except that here the difficulty is felt to a greater extent. Even experts in the trade have been deceived as to whether or not there has been a certain amount of silk in some so-called cotton or woollen stockings, and it is because of the absolute

impossibility of administering the provision with justice that it has been proposed from this side of the Chamber that the duty should be 15 per cent. In passing, I may say that Senator Barrett suggested that 20 per cent. might be better. We objected to 20 per cent. for the reason that if we placed that rate of duty both on cotton and silk stockings we should be raising a larger amount of revenue than was required. A duty of 15 per cent. will give absolutely the same revenue as duties of 25 and 10 per cent. will give. Since this Tariff came into operation it was found that difficulties constantly arose, and as a matter of fact the whole trade in every one of the States petitioned that all socks and stockings should be taxed at the same rate, whatever it might be, in the same way as all gloves are taxed at the same rate. We do not make any distinction in this Tariff between cotton and silk gloves. Not only in Melbourne, but also in Adelaide, Sydney, Perth, and Hobart, the trade has urged, as a matter merely of convenience in administration, and in order to prevent evasion, that all socks and stockings shall be dutiable at the same rate. A deputation waited upon Mr. Kingston in reference to the matter. I saw him and placed all the facts and figures before him. I showed him that the revenue would not suffer in the slightest degree. We were sanguine that we had convinced him, but that was not so. Then we were thrown back on one of two courses—either to agree to the perpetuation of the 25 and 10 per cent. duties, with the consequent difficulties at the Custom-house, and the danger that traders would be forced to appear at the police-court charged with trying to evade the payment of duty when they were absolutely innocent; or to propose a lower uniform duty. It was because of that that we proposed that the duty be 15 per cent. We were quite willing to increase the rate on the cotton goods and decrease the rate on the woollens. That, I can assure honorable senators, is the only way in which that branch of the softgoods trade can be administered with justice to the honest trader and with something like comfort in the Custom-house. We ought to give a fair amount of protection to the manufacturers of woollen hosiery. It is not a large trade, but it is an increasing trade, and we hope that it will further increase. It concerns itself entirely with the lower category of goods. The finer

duty on yarns, which at my instance it was decided to ask the other House to reduce from 10 per cent. to 5 per cent. The position is largely affected by the action which the committee took on a previous occasion. Originally this line was included under the item of apparel, dutiable at 25 per cent.; but of course the effect of Senator Symon's proposal to strike out the word "cotton" was to subject socks and stockings to a duty of 10 per cent. I intend on this occasion to support the Government, in the hope of obtaining the higher duty of 25 per cent. I think that Senator Symon has made a mistake in this instance. If, instead of making a separate line of these articles dutiable at 15 per cent., he had proposed their inclusion under the head of attire, they would have been subject to a duty of 20 per cent. I desire to emphasize the position I took up previously in regard to yarns. No hosiery yarns are made in Australia. It is quite true that the Ballarat Worsted Company manufacture yarns, but their yarns are made for the sole purpose of manufacturing cloth. So far as that company is concerned, the manufacture of yarns does not affect the item of hosiery which is involved in the present proposal. It has been stated by Senator O'Connor that, since the duty was imposed, a yarn factory has been started by a company in New South Wales. The statement I have made in regard to the Ballarat Worsted Company applies equally to Messrs. Vickers and Company, of New South Wales, who only make yarns for the manufacture of cloth. I am informed on the best authority that their plant is not up-to-date. On a previous occasion I desired yarns to be made duty free, and, if the Government proposal is not carried, I intend, as far as possible, to adhere to the position I then took up. I desire, if possible, to give some relief to the hosiery manufacturers, who will have to pay, under the present proposal, the high duty of 10 per cent. That duty will not encourage the manufacture of yarns, because it is too low. Extensive machinery is requisite—not one plant alone, but a dozen sets of plants—for the manufacture of the many classes of yarns which are necessary, not only for the hosiery makers, but for the cloth manufacturers. For the purposes of protection a 10 per cent. duty is utterly useless. Consequently, the proposal of the Government will not help the hosiery makers. If Senator Symon had

Senator Barrett.

proposed a duty of 20 per cent. instead of 15 per cent., it would have brought the articles under the head of attire, and it would have been in conformity with his original proposal, because, under the circumstances in which we are placed, even supposing that he had proposed the higher duty of 20 per cent. on hosiery and a duty of 10 per cent. on yarns were carried in the Senate, it would have given an effective protection of only 10 per cent.

Senator CLEMONS.—We shall carry the 10 per cent. duty on yarns all right.

Senator BARRETT.—If that statement is correct, the result will be, if the proposal is for a 20 per cent. duty, an effective protection of 15 per cent.

Senator Sir JOSIAH SYMON.—The honorable senator was content with a 5 per cent. duty when the duty on woollen socks was reduced to 10 per cent.

Senator BARRETT.—No.

Senator Sir JOSIAH SYMON.—The honorable senator moved for a 5 per cent. duty.

Senator BARRETT.—Owing to the peculiar position in which we found ourselves. I wish to get the higher duty, and I believe that the result of the division will show that the committee is in favour of the higher duty, because in the previous division three of our supporters could not vote, and, if I remember aright, the proposal was carried by a majority of only one or two. But in the present case the position, I admit, is rather involved, and I intend to vote for the higher duty of 25 per cent. If that be carried I shall withdraw my opposition with regard to yarns. If, on the other hand, Senator Symon carries his proposal, I intend to attempt, as I did on a previous occasion, to keep the duty on yarns at 5 per cent.

Senator Sir FREDERICK SARGOOD (Victoria).—We must all have listened with considerable interest to the statement made by the last speaker, who has placed the facts of the case before us fairly and accurately. There is, however, one point which I should have liked him to emphasize rather more, and that is that this duty on yarns is absolutely in the interest of only one firm of manufacturers in Victoria, and one small manufacturer in New South Wales. Those are manufacturers of yarns. If the duty proposed by the Government is passed it will mean that the manufacturers of woollens at Ballarat will

have a handicap against all their competitors in the woollen trade. All the other manufacturers of woollen piece goods will have to pay 10 per cent. on their yarns, because they are not made here. May I also add that the Ballarat machinery, costing £9,000, was practically paid for by the Victorian Government in the shape of a bonus. It is well that these facts should be known. The Vice-President of the Executive Council made a great point about silk stockings, and asked how it was that they were to be taxed at the same rate as cottons.

Senator STYLES.—How long is it since the bonus referred to was paid?

Senator Sir FREDERICK SARGOOD.—Comparatively recently. It is probably not known to many honorable senators that, taking silk stockings and cotton stockings together, the cottons are as expensive as, and often more expensive than the silks; while the cotton goods are often much more expensive than the mixtures of silk and cotton. I also want to dwell upon the strong argument that was used both in another place and here, with regard to the difficulty of administering the Customs Act in regard to these mixed goods. When the duties on apparel were originally introduced by the Government, the duty on goods made partly of wool and partly of silk was 25 per cent., and the duty on goods made partly of other material was 20 per cent. In this form the Tariff was passed in the first instance by another place. As soon as this came to the notice of the merchants, and the difficulty in regard to passing entries at the Custom-house began, it was found practically impossible to distinguish between woollen goods and goods partly of wool and partly of silk. Consequently the House of Representatives made the duty 25 per cent., in the same way as we have now agreed to make the duty on both items 20 per cent. The leader of the House very properly pointed out that it was almost impossible fairly to administer the Tariff in this respect at the Custom-house if there was a different duty in regard to yarns. It is exactly the same with regard to woollen socks and stockings and cotton socks and stockings, except that here the difficulty is felt to a greater extent. Even experts in the trade have been deceived as to whether or not there has been a certain amount of silk in some so-called cotton or woollen stockings, and it is because of the absolute

impossibility of administering the provision with justice that it has been proposed from this side of the Chamber that the duty should be 15 per cent. In passing, I may say that Senator Barrett suggested that 20 per cent. might be better. We objected to 20 per cent. for the reason that if we placed that rate of duty both on cotton and silk stockings we should be raising a larger amount of revenue than was required. A duty of 15 per cent. will give absolutely the same revenue as duties of 25 and 10 per cent. will give. Since this Tariff came into operation it was found that difficulties constantly arose, and as a matter of fact the whole trade in every one of the States petitioned that all socks and stockings should be taxed at the same rate, whatever it might be, in the same way as all gloves are taxed at the same rate. We do not make any distinction in this Tariff between cotton and silk gloves. Not only in Melbourne, but also in Adelaide, Sydney, Perth, and Hobart, the trade has urged, as a matter merely of convenience in administration, and in order to prevent evasion, that all socks and stockings shall be dutiable at the same rate. A deputation waited upon Mr. Kingston in reference to the matter. I saw him and placed all the facts and figures before him. I showed him that the revenue would not suffer in the slightest degree. We were sanguine that we had convinced him, but that was not so. Then we were thrown back on one of two courses—either to agree to the perpetuation of the 25 and 10 per cent. duties, with the consequent difficulties at the Custom-house, and the danger that traders would be forced to appear at the police-court charged with trying to evade the payment of duty when they were absolutely innocent; or to propose a lower uniform duty. It was because of that that we proposed that the duty be 15 per cent. We were quite willing to increase the rate on the cotton goods and decrease the rate on the woollens. That, I can assure honorable senators, is the only way in which that branch of the softgoods trade can be administered with justice to the honest trader and with something like comfort in the Custom-house. We ought to give a fair amount of protection to the manufacturers of woollen hosiery. It is not a large trade, but it is an increasing trade, and we hope that it will further increase. It concerns itself entirely with the lower category of goods. The finer

class of goods is not concerned. I have had interviews with the manufacturers, and I can say this absolutely: that so long as they get their yarns at 5 per cent., whilst the manufactured article is taxed at 15 per cent., leaving a margin of 10 per cent., they will be satisfied. Of course they would prefer to get their yarns, which are their raw material, free, but they are quite content with what I have stated. I have seen them and explained to them exactly what this side of the Chamber intended to propose. It must be borne in mind in connexion with this margin of 10 per cent. that the natural protection has also to be added. That natural protection will range from 8 to 15 per cent., so that the actual protection of the local manufacturer will run up to at least 25 per cent. I think that will be sufficient. In the interests of the trade, and also in the interests of the Custom-house and of the revenue, I strongly urge the committee to agree to Senator Symon's proposal.

Question—That the words proposed to be omitted stand part of the motion—put. The committee divided.

Ayes	12
Noes	14
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Majority	2

AYES.

Baker, Sir R. C.	O'Connor, R. E.
Barrett, J. G.	Playford, T.
De Largie, H.	Stewart, J. C.
Drake, J. G.	Styles, J.
Glassey, T.	
Higgs, W. G.	<i>Teller.</i>
Keating, J. H.	O'Keefe, D. J.

NOES.

Charleston, D. M.	Pearce, G. F.
Clemons, J. S.	Pulsford, E.
Dawson, A.	Sargood, Sir F. T.
Dobson, H.	Smith, M. S. C.
Fraser, S.	Symon, Sir J. H.
Gould, A. J.	
Macfarlane, J.	<i>Teller.</i>
Millen, E. D.	Ewing, N. K.

PAIRS.

<i>For.</i>	<i>Against.</i>
Zeal, Sir W. A.	Ferguson, J.
McGregor, G.	Neild, J. C.
Cameron, C. St. C.	Walker, J. T.
Downer, Sir J.	Harney, E. A.
Best, R. W.	Matheson, A. P.

Question so resolved in the negative.

Amendment agreed to.

Motion, as amended, agreed to.

Senator Sir Frederick Sargood.

Item 71, Yarns, *ad valorem*, 10 per cent.

Senate's Request.—That the duty be reduced to 5 per cent.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

I have already explained this matter in dealing with the last item. There are very strong reasons why the duty on these yarns should be 10 per cent. instead of 5 per cent., for at the latter rate no protection would be afforded. If any protection is to be given, surely it should be something which will have a beneficial effect and will help an industry, instead of being merely a delusion and a snare.

Senator BARRETT (Victoria).—I should like to point out to the committee that if this duty is allowed to remain there will be an effective protection of only 5 per cent.

Senator O'CONNOR.—The honorable senator is assuming that ultimately the duty on the previous item will be fixed at 15 per cent.

Senator BARRETT.—I am assuming that we have agreed that the duty shall be 15 per cent.

Senator O'CONNOR.—That is only a request.

Senator BARRETT.—If it is modified we shall have again to review our vote on this item, but I am assuming for the time being that the committee have effectively dealt with it. I have, therefore, to face the question of what should be the effective protection given to this industry. I desire my attitude to be clearly and distinctively understood. If any information can be brought forward to disprove the statements which I have already put before the committee, I shall at once vote for the retention of this duty.

Senator PLAYFORD. — What about the Sydney mill?

Senator BARRETT.—That factory only manufactures yarns for cloth.

Senator O'CONNOR.—That is contrary to the information which the Collector of Customs has obtained.

Senator BARRETT.—I have obtained my information from Thos. Murray and Co., of Richmond, who are the largest manufacturers of this class of goods in Australia. They tell me that Mr. Vickers, who has erected the plant in New South Wales

to which reference has been made, recently paid a visit to their factory, and explained the extent of his plant, and the work upon which he was engaged. I do not desire to strike a blow at any industry that exists in Australia, and if any one can disprove the statement I have made, and the authority which I have given for it, I shall vote with the Government. But honorable senators will see at once that if that statement is correct, the establishment of the New South Wales factory does not affect the manufacture of hosiery, and a duty of 10 per cent. upon the raw material is altogether too high. Having endeavoured without success to support the position taken up by the Government with reference to the last item, and seeing that the committee is against my views, I have to adopt the next best course, and that is to assist in obtaining a reduction of the duty on yarns to 5 per cent. I was originally in favour of the free importation of these yarns, but on the ground of revenue I sank my convictions for the time being, and split the difference with the Government. In the circumstances, if this duty stands, the manufacturers of hosiery will have a protection of only 5 per cent., which is totally inadequate; but if we are successful in reducing this duty to 5 per cent., those engaged in the manufacture of hosiery will have an effective protection of 10 per cent. I frankly place before the committee the reasons for the attitude taken up by me.

Question—That the request be not pressed—put. The committee divided—

Ayes	...	...	9
Noes	...	...	17
Majority	...	...	8

AYES.

Baker, Sir R. C.	Playford, T.
Drake, J. G.	Stewart, J. C.
Glassey, T.	Styles, J.
Keating, J. H.	<i>Teller.</i>
O'Connor, R. E.	O'Keefe, D. J.

NOES.

Barrett, J. G.	Higgs, W. G.
Charleston, D. M.	Neild, J. C.
Clemons, J. S.	Pearce, G. F.
Dawson, A.	Pulsford, E.
De Largie, H.	Sargood, Sir F. T.
Dobson, H.	Smith, M. S. C.
Ewing, N. K.	Symon, Sir J. H.
Fraser, S.	<i>Teller.</i>
Gould, A. J.	Macfarlane, J.

PAIRS.

For.

Against.

Downer, Sir J. W.	Harney, E. A.
Zeal, Sir W. A.	Ferguson, J.
Cameron, C. St. C.	Walker, J. T.
Best, R. W.	Matheson, A. P.
McGregor, G.	Neild, J. C.

Question so resolved in the negative.

Item 78, Manufactures of Metal, viz.:—Agricultural, horticultural, and viticultural machinery and implements, u.e.i., . . . *ad valorem*, 15 per cent.

Senate's Request.—That the duty be reduced to 10 per cent.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

I take it that all the items relating to machinery and manufactures of metal stand upon the same footing, and it, therefore, becomes very important when considering the first of them that the matter should be fully placed before the committee. I do not intend to repeat the arguments, and the facts which have been fully stated upon other occasions. There is no necessity to do so, because I am certain that every honorable senator is fully aware of everything that could be said upon the merits. What we have to consider now is whether the views which have been held before by honorable senators should be modified, as I think they ought to be, by the position in which we now find ourselves—a position in which it is necessary to come to an agreement. I urge that the request should not be pressed upon the ground that the experience of Australia and other countries where these industries have been successful, has invariably been that they cannot flourish without a substantial amount of protection. In these circumstances, I say that the duty proposed by the Government is the lowest at which anything like real protection can be given. The Customs officers in New South Wales have made a report setting forth that, so far as that State is concerned, no reduction in this duty can be made without injury to these industries.

Senator PULSFORD.—In a matter like this, is it right to introduce quotations from reports of Customs officers?

Senator O'CONNOR.—Why not?

Senator Sir JOSIAH SYMON.—I do not think it is right for a Customs officer to express an opinion upon a question of policy.

Senator O'CONNOR.—It is right for him to make inquiries as to whether the

conditions of an industry are such that it can be successful with or without a certain duty. It may be a question of policy whether a duty should be increased or reduced, but it is a question of fact whether an industry can succeed under a duty. That is a question of fact upon which a Minister can cause inquiries to be made by his officers.

Senator Sir JOSIAH SYMON.—It is not for the Customs officers to determine.

Senator O'CONNOR. — The Customs officers have not determined it. They have reported upon the facts just as any other fact might be reported upon by a Government officer.

Senator PULSFORD.—It is an opinion, not a fact.

Senator O'CONNOR.—Is it not the case that a Government has frequently to obtain the opinions of its officers? If a question of policy were involved, the Government would not be justified in doing so.

Senator DAWSON.—Supposing the officers in this case had expressed an opinion in favour of free-trade?

Senator O'CONNOR.—That opinion certainly would have been given. We shall very much restrict the operations of the Government if we say that no Government officer ought to make a report which involves an expression of opinion.

Senator Major GOULD.—On a matter of policy.

Senator O'CONNOR.—But that is not involved, and the honorable and learned senator's interjection shows the confusion of mind into which he and some other honorable senators have fallen. It is, first of all, a question of fact whether a certain duty is sufficient to enable a manufacturer to prosper. That fact is made up of a number of other facts, and the ascertainment of those facts is a mere matter of inquiry, which any officer should be able to carry out. The comparison is a mere matter of arithmetic. It is extremely hypercritical of an honorable senator to attempt to discount the value of this report by asserting that it involves a matter of policy. I shall have to hear a great deal more than I have heard by way of interjections on the part of my honorable friends before I shall be convinced that there has been anything more in the obtaining of this report than there is in obtaining a report upon any other matter for the information of the Government. I do not intend to go into the merits of this

matter. If we are to have a settlement at all upon these matters, there must be some concession on the part of the Senate, and the Senate can only take that course by carrying the motion I have moved.

Senator Sir JOSIAH SYMON (South Australia).—It is only right at the outset to say that I entirely dissent from the view expressed with so much animation by Senator O'Connor in respect of the propriety of inviting Customs officers to report as to what measure of protection will be necessary to continue an existing industry, or establish a new one. In my view that is utterly outside the scope of the duties of a Customs officer, and I think moreover that any Minister who invites a Customs officer to enter upon any such investigation is doing a grave injustice to the officer, and is placing him in a position of embarrassment which he ought not to occupy. A Customs officer's functions are to administer the law. He is an administrative officer, and is not an advisory officer as to the extent to which a duty of 10 or 15 per cent. will encourage or maintain a particular manufacture. The difficulty we have had throughout in this Parliament has been to settle that knotty problem. Honorable members on the opposite side differ from honorable members on this side, and the whole controversy throughout the prolonged discussions of this Tariff has been, from the point of view of protection, as to whether 10, 15, 20, or 25 per cent. affords a fair and reasonable measure of protection. Yet we are asked to bring into the arena Customs officers who are in the pay of the Government of the day, in a sense, and who, by their report, may place themselves in a position of antagonism to one set of manufacturers, and in a position of favoritism to others. I do not desire to enter upon a discussion of this kind unduly, but I say I do regret that in a debate in this, or in any other Chamber, a report of a Customs officer has been mentioned in any way with a view to influence the debate as to the extent of protection necessary to maintain an industry. On this particular line I feel there is nothing of which the Senate may be more proud than in having reduced this duty to 10 per cent. So far as I am concerned, I intend to stand by this loyally, and I say that personally I shall never be found consenting to any further burden being imposed upon the agriculturists in respect of the machinery they have to use. If there

is one item in the Tariff in connexion with which the producers, the men upon the soil of this country, may fairly look to have some degree of generous remission extended to them, it is this item of agricultural machinery. I say that if the Senate never did another thing in connexion with this Tariff than the lowering of this duty to 10 per cent., the rate suggested by our request, we shall have done the greatest possible service to the producing interests of this country. I do trust that the duty will be maintained exactly as the committee of the Senate, after a most prolonged and exhaustive debate, have agreed to fix it. The history of the matter shows that the greatest possible care was taken to do justice and to be moderate, to be fair to the agriculturist, and to be at the same time fair to those who are embarked in the machine-making industry. It was first proposed that the duty should be $7\frac{1}{2}$ per cent., and that was only lost by an equal vote. But for the constitutional rule, $7\frac{1}{2}$ per cent. would probably have been the rate fixed. I am not prepared to say that wiser counsels in that particular did not prevail. At any rate, the spirit of moderation prevailed, and practically another compromise was adopted when the 10 per cent. duty was imposed, and was carried by a majority of four votes. I mention that for this reason: Even in the House of Representatives there is a spirit abroad in relation to this matter that bodes well for the treatment that the agriculturist will receive. There may be a difference of opinion as to whether the duties upon produce which have been referred to are merely illusory; whether they are, I will not say galls to the farmer, but a means adopted for deluding the farmer; but here there is a substantial concession, about which there can be no particle of doubt. In the House of Representatives a feeling of fair play in this respect is abroad, and I welcome it and rejoice in it. I find that this request of the Senate, which was agreed to here by a majority of four votes, was declined by the House of Representatives by a majority of only three. I say that the House of Representatives, having displayed this spirit of moderation as indicated by that insignificant majority, will probably feel that it would have been better to have accepted the request we made. The attitude of honorable members of that House, and their language used in regard to our requests, have

shown a regard for the constitutional position which the Senate occupies. I believe myself there is spirit of conciliation there. The reasons for the requests of the Senate were either not discussed at all, or were discussed in a most perfunctory way, and it is possible that honorable members in another place overlooked the considerations which were most exhaustively dealt with in the committee of the Senate. I feel certain that, if they have an opportunity to consider them by the light of a comparison, if honorable senators please, between the majorities in the respective Houses, they will be found to agree with our views, and to admit that the rate of duty at which we arrived after an exhaustive debate, and in a spirit of wise moderation, is a fair one, and should be accepted. That is all I desire to say. Read by the light of what was done here, and by the light of the voting as shown in the records of the two Houses, the motion of Senator O'Connor that we should not press our request in this matter is, from my point of view, indefensible.

Senator DRAKE (Queensland — Postmaster-General).—I do not think the honorable and learned senator is quite correct in saying that this request of the Senate was discussed in a perfunctory manner by the other Chamber. I have no fault to find with his statement as to the numbers in the division, but if the honorable and learned senator will turn to *Hansard*, he will find that our request was very fairly discussed in the other House. It is perfectly true that honorable members of the other Chamber did not repeat all the arguments previously used. Why should they? What earthly good could result from a repetition of arguments which have been urged over and over again? They did not do that, it is true, but they discussed the matter very fairly, indeed, in the light of the request made, and they deliberately came to the conclusion that the duty should not be less than 15 per cent. We can see clearly, from the debate, that the reason which animated them was that they considered it highly important and beneficial to the country that the agricultural implements required to be used, should be manufactured in Australia in preference to being obtained from Germany and America. The debate in another place, if read fairly, brings one to the conclusion that that was a consideration which weighed with honorable members in another place. Apart

from that, the quality of the implement should enter into the consideration of the subject, and we know that the quality of implements made in Australia is equal, if not superior, to that of the imported article. It must be a very great advantage to a young community like this to have industries of this kind established in its midst in preference to obtaining these implements from outside. I think that that consideration which weighed so greatly with members of the House of Representatives should have equal weight with honorable senators. This is a matter in connexion with which we certainly ought to meet the House of Representatives by declining to press our request.

Senator BARRETT (Victoria).—I do not intend to take up the time of the committee at any very great length. When this question was before us on a previous occasion, I dealt with it as well as I could, and I desire now, before we again come to a decision, to place before the committee certain information which I have obtained in the hope of inducing honorable senators who are prepared to listen to it to alter the decision previously arrived at. Some honorable senators smile at the statement, but if they are not prepared to weigh evidence, and if they have blindly made up their minds in such a way as to destroy a certain industry, I do not desire that they should listen to me. Honorable senators who appreciate the gravity of the responsibility which rests upon them, should be prepared to listen to any information which may be presented to them, and to weigh it carefully before coming to a decision. It is because I feel very earnestly upon this matter, and because I know that this proposal of honorable senators opposite will utterly wipe out the agricultural machinery industry of Australia, that I trouble the committee with further facts which have come under my notice. Those who know anything of the subject know that there never was a more serious position facing the workers in this industry than that facing them at the present moment. The factories are almost idle, and workmen for months past have been walking the streets, because of the uncertainty that exists in regard to this Tariff. Agricultural implements are being imported wholesale, and if we are not prepared to give a substantial amount of protection to the men engaged in this industry,

the result must be that they will be compelled to walk the streets. Again I ask honorable senators, who treat this matter very lightly, what are these men to do?

Senator CLEMONS.—They will leave Victoria like the rest.

Senator BARRETT.—Let me tell the honorable and learned senator that they will not only leave Victoria, but they will leave the Commonwealth.

Senator CLEMONS.—They will go to Western Australia where other Victorians have gone.

Senator BARRETT.—It has been stated here before that this is a Victorian industry, but I intend to submit the united statement to all the agricultural implement makers in Victoria, New South Wales, South Australia, and Queensland. These gentlemen, who know something about their business, say that the industry is in peril, that if the 10 per cent. duty is carried they will have to become importers, and their men will be thrown out of employment.

Senator PULSFORD.—That is 10 per cent. more than they ever had in New South Wales.

Senator BARRETT.—Has the honorable senator made any inquiry as to the condition of the industry in New South Wales? Although he is a representative of that State he does not know what is going on there.

Senator PULSFORD.—I know that there is a terrific drought there.

Senator BARRETT.—The honorable senator does not know what the local manufacturers in this case desire. On several occasions he has asked—"What are they doing in Sydney? What is the Clyde Engineering Company doing? What are we doing in regard to agricultural implements? We have brought our manufactures to a state of perfection without a duty, and we do not need a duty." Let us hear the views of the Clyde Engineering Company, which, I may say, is the largest company of the kind in New South Wales, and possibly all the people engaged in this industry have not the great interests at stake which it has. In the first telegram I received from its manager, Mr. Walter M. North, he says—

Require 20 per cent.; unable as manufacturers of harvesters to compete with importations.

In a later telegram he says —

We have not absolutely withdrawn from manufacturing harvesters, but 20 per cent. is wanted

to enable us to compete with importations. Would go to Melbourne on Monday or later if I would be of service.

Senator Major GOULD.—So that the 15 per cent. duty proposed by the Government will be useless?

Senator BARRETT.—Fifteen per cent. is not useless. There is a great difference between 20 and 10 per cent.; the mean between 10 and 20 per cent. is 15 per cent.; and if possible, we wish to give a protection of 15 per cent., and by that means save their industry, and wait for future events to give them the protection which they need. If honorable senators had only studied the question in the light of what was done in Canada, they would see at once the possibilities which lie before us in the case of this industry. But what do they say? They turn round and tell us that, if a high duty is imposed, the result will be that the farmers will have to pay more for their implements, that protection enhances the cost, and, consequently, that low duties mean low prices. In order to convince them that they are wrong in making that statement, I propose to quote from the price-lists of Massey-Harris and Co., of Melbourne and Sydney. My point is that protection does not increase the prices.

Senator PULSFORD.—What is the good of it, then?

Senator BARRETT.—I know that I am touching the honorable senator in a sore place, but if he is not impervious this afternoon, I shall prove conclusively to him that the importers have robbed the New South Wales farmers in the past, when they had a free port; and speaking in the light of experience, I believe they will rob the farmers in the future if Parliament gives them the opportunity to do so. I make that strong statement in cool blood, and I shall proceed to prove its correctness. It is very difficult to get the price-lists of firms operating in Sydney and Melbourne. The price-lists of Massey-Harris and Co., which I am about to quote, are for the year 1899. It was not possible for me to get their price-lists of a later date, but that does not affect the point I am making, which is, that notwithstanding that Sydney was a free port and the terminus of the steamers—which of course cheapens the freight—that firm charged exactly the same price to the New South Wales farmers as to the Victorian farmers. According to the price-lists, in some cases the firm charged more for the

same article in New South Wales than in Victoria, while in many instances exactly the same price was charged in the two States. For instance, in certain cases their charges were as follow:—

	Victoria.	New South Wales.
13 Hoe and grain fertilizer ...	£35, £37	... £35, £37
13-tooth cultivator	£16, £17	... £16, £17
17-tooth cultivator	£18, £19	... £18, £19
Diamond harrow, No. 3 ...	£4	... £4
Diamond harrow, No. 4 ...	£5 10s.	... £5 10s.
Diamond harrow, No. 5 ...	£7	... £7
Disc harrow — 13 discs marked G (reversible) ...	£11, £11 10s.	... £11, £11 10s.
Disc harrow — 14 discs (not reversible) ...	£11, £11 10s.	... £11, £11 10s.
Jubilee two-furrow plough...	£17, £18	... £17, £18
Jubilee three-furrow plough	£23 10s., £25	... £23 10s., £25

These are only a few instances which I have picked out for my own convenience. If my free-trade friends in New South Wales are open to conviction, they can take the two price-lists and see numerous examples of the kind, showing conclusively that in the past the farmers of their State have been robbed by the importers. Whether you impose a duty of 15 per cent. or 20 per cent., or have a free port, they are prepared to ask the same price for the articles they manufacture. I have also another document which I am going to read.

Senator DAWSON.—Has the honorable senator never heard of rings and combines among manufacturers?

Senator BARRETT.—That sort of argument will not do here. These facts are too clear and patent, and if my honorable friends can explain the position, they are at perfect liberty to do so. I have given the facts and drawn my deductions from them, and if I am wrong I shall be very glad if honorable senators opposite can prove that to be the case. But I believe that the position is of such a character that it cannot be shaken. I now wish to bring forward another document in support of the position which I advanced on a previous occasion. I am going to let the manufacturers of Australia speak for themselves. I hold in my hand a circular letter that has been drawn up by the following firms:—

May Brothers, Gawler, South Australia; Martin and Co., Gawler, South Australia; Bagshaw

and Son, Adelaide ; Shearer Brothers, Adelaide ; Clyde Engineering Company, Sydney ; Meadowbank Manufacturing Company, Sydney ; Henderson and Son, Corowa ; T. Robinson and Company, Melbourne ; Nicholson and Morrow, Melbourne ; H. V. McKay, Ballarat ; Hugh Lennon Company, Melbourne ; Mitchell and Co., Melbourne ; Cliff and Bunting, Melbourne ; Beard and Sisson, Melbourne ; Braybrook Implement Company, Melbourne ; S. Gibson, Melbourne.

Senator PEARCE.—The honorable senator spoke of a Western Australian firm.

Senator BARRETT.—These firms which I have quoted are practically all the firms of implement makers existing in Australia who carry on business to any large extent. I may explain that originally this document came to me in the form of a petition, but as it was not jointly signed by all those interested in it, it could not be presented as a petition. It was simply signed by three or four people on behalf of the firms. As it was not in order in the form of a petition, I will give it to the committee as information for their use. These firms put the case better than any one else could have put it in their behalf. They say—

Sir,—With reference to the Tariff Bill now before the Senate for further consideration, and more particularly that portion dealing with the duty on agricultural, horticultural, and viticultural machinery, we, the undersigned, being a committee of the trade representing the following manufacturers of agricultural machinery in the Commonwealth—

then follow the names of the firms which I have already quoted.

desire to point out that the proposed rate of duty on agricultural machinery, namely, 15 per cent. is a reasonable one and should receive the support of honorable senators. During the debate on this item which took place in the Senate, many statements were made which we think require explanation, and we will now briefly refer to them.

1. It was stated that in the colony of New Zealand the manufacturers of agricultural machinery were enabled to carry on business there without a protective duty. This statement is hardly correct, as it is a well-known fact in the trade here, and, indeed, the statement has been made by one of the leading manufacturers in New Zealand, that when the duty was taken off agricultural implements there some years ago, the local manufacturers had to relinquish manufacturing as they could not compete with the foreign made articles, and they were forced into becoming importers of these goods instead of making them in the colony as they did formerly.

I should like also to inform the committee that this is exactly the position that is taking place now in Victoria. I know a very large firm in Elizabeth-street, Melbourne, who are being forced into the position, because of the condition of the trade,

of becoming importers and agents for American firms, and as sure as the duty is reduced to 10 per cent. that will be the result which will follow in regard to all the other firms in the Commonwealth. We cannot compete with the Canadian firms because they have been long established and are able to send their goods all over the world at a very cheap rate.

In Australia the vast majority of crops of grain are garnered by the complete harvester or stripper and winnower, which machines have been invented and perfected by Australian manufacturers to suit the requirements of the Australian farmer. New Zealand is a country where the reaper and binder is exclusively used in the process of harvesting, and the complete harvester and stripper and winnower are practically unknown machines, because of their unsuitability to the climatic conditions of the country. The reaper and binder has always been admitted free of duty into all the States of the Commonwealth prior to federation. The relative cost of garnering grain by the reaper and binder is 9s. per acre, and by the complete harvester 1s. 6d. per acre, and it will be conceded that the Australian farmer has a great deal to be thankful for to the Australian manufacturers, because but for this machine he could not have made wheat-growing a profitable industry owing to the low prices which prevail. It will be seen, therefore, that the New Zealand manufacturers have not been called upon to use their inventive faculties for the purpose of producing a machine for the economic garnering of grain for the reason already given ; consequently their case is hardly on all fours with ours. The same remark applies to ploughs and other important farming implements, as the farmer knows the locally-made article is the best and most durable, but it is in the underselling that the foreign manufacturer gets the advantage, as we will now proceed to show.

(2) The statement has been made that implements admitted free of duty cheapen their cost to the farmer, and that a protective duty relatively enhances their cost, but we submit that whatever may be the theory it is not worked out by fact.

Unfortunately that is the case when we apply many of the theories of honorable senators opposite to our actual experience. These theories are often very nice in themselves, but when they are reduced to practice we find that they prove impracticable, and very often totally useless.

Take the case of the reaper and binder to which we have previously referred. This implement has always been admitted duty free, and yet it is an absolute fact that a few years ago it was sold to farmers at £65, whereas now the same machine can be purchased at from £25 to £35. What is the cause of this great difference in the price ? Certainly not the cheaper means of manufacturing in America, as the ruling wholesale price there has always been about £19 to £21 per machine, but the reason of the reduction is the extraordinarily keen competition existing between

the various American firms and combines which have come amongst us during the past few years, each with a seeming determination to monopolize the trade in Australia.

That is where the cheapness will come in. But protect our local agricultural implement manufacturers, and the competition between them will reduce their prices to the lowest degree.

Some years ago the manufacturers of New Zealand used to make reapers and binders under a protective duty, and notwithstanding the fact that at that time the same machines were admitted duty free in Australia, they were sold at a much lower price in New Zealand. This continued to be the case until the duty was removed, when the local manufacturers were obliged to cease manufacturing, and, as a result, almost immediately afterwards, the price of the machines was raised by the importers to that obtained in the Australian markets.

That is a very old game. Crush out the local article, and then the price of the machine goes up, as it will do if honorable senators opposite are successful on this occasion in imposing only a revenue duty upon these machines. The local manufacture will be strangled, and at once the price of all these articles will go up. The farmer will not be benefited, but on the contrary will suffer severely.

It will thus be seen that the competition keeps the prices right for the farmer, and the rate of duty we ask is to enable us to compete in some measure with the foreign manufacturer, whose object is to monopolize trade, and create combines which when established have no consideration whatever as regards prices for the consumer. The American manufacturers have of late years exploited our markets, they have sent to their works samples of our locally made implements of all descriptions, and have copied them, and they are now competing with these imitations of our goods. This, we submit, is unfair competition, and as our factories have been established in the Commonwealth at a very great expense, we are entitled to some consideration. The decision of the Senate will materially affect the interests of some thousands of work-people in the Commonwealth, and we trust they will agree to allow the duty of 15 per cent. on agricultural implements to remain.

This letter is signed by the firms which I mentioned at an earlier stage in my speech, and they comprise the whole of the agricultural implement manufacturers in Australia of any note. I regret that there has not been a larger attendance of honorable senators to hear what I have to urge at this critical stage of our proceedings. Many honorable senators appear to have made up their minds, and they are not prepared to listen to reasonable arguments which may be

advanced to induce them to retrace their steps.

Senator PEARCE.—There are four protectionists and seven free-traders listening at the present time to the honorable senator.

Senator BARRETT.—That accounts for only eleven out of 36 honorable senators. My remarks apply equally to free-traders and protectionists alike, and the result of the division on this item, together with any other which may take place in these circumstances, will guide me in determining what attitude I shall adopt when the critical moment comes to consider the Tariff as a whole. This is the first occasion during the present week upon which I have spoken, so that I have not inflicted myself upon the committee. I am here to-day to discharge a public duty—to plead for the working men of Australia, and those who have embarked their capital in this industry—and I do hope that, even at this late hour, honorable senators opposite will agree not to press this request. I suppose, however, that the matter has already been determined in caucus. Where is the leader of the Opposition, and where are his supporters? If they have already made up their minds upon this question, it is hardly worth while bringing forward evidence to show why the committee should not press this request. I have, however, discharged my duty. I feel just as keenly upon this question as if I were personally affected by it, because I am in sympathy with those who earn their living in this industry. Most of us have been workmen. Most of us have worked in shops and factories, and we know what has been the effect of a change of Tariff upon our industry.

Senator DAWSON.—We know what has been the result of our failure to make a change on finding out that we have made a mistake.

Senator BARRETT.—We shall make a mistake if we press our request to reduce this duty. I trust that the committee may be led to see the wisdom of retaining the duty of 15 per cent., and giving some protection to Australian workmen and those who have embarked their capital in this industry.

Senator DAWSON (Queensland).—I regret very much that there was not a larger attendance of honorable senators to hear the speech just delivered by Senator Barrett, for he really succeeded in showing very clearly that our request should be affirmed. The

honorable senator produced his authorities, and drew from them the deduction that under a free-trade Tariff in New South Wales the importers have robbed their customers. Even if we admit that the New South Wales importers are brigands and thieves of the first water, and that they will continue to be thieves—that it is in their nature, and that they cannot help it—the honorable senator has not shown that by retaining the duty of 15 per cent. upon this machinery, we shall make honest men of them, and lead them to deal fairly with their customers. The experience of the civilized world is that more honest dealing is secured under free and open competition than it is possible to obtain in countries where trade is restricted—that if there is any set of fiscal circumstances which lends itself to rings and combines, it is that associated with a high protective policy. So far as this argument is concerned, I think that Senator Barrett completely answered himself, and a proper consideration of his statements should lead him to change his opinion.

Senator O'CONNOR.—Where there is a monopoly of a market either by manufacturers or importers the same thing occurs.

Senator DAWSON.—Surely Senator O'Connor will realize that it is easier for monopolists to operate in a highly protective State—because of the comparative smallness of their numbers—than it is for them to do so with an open port.

Senator O'CONNOR.—It works both ways.

Senator DAWSON.—But not with the same facility. The honorable and learned senator must see that it would be much easier to form a combine within the Commonwealth, to work disastrously against the interests of those who deal with it, than to form a combine extending throughout the rest of the civilized world to operate within the Commonwealth.

Senator O'CONNOR.—We know what has actually taken place.

Senator DAWSON.—We do not know that there is a ring existing in the rest of the civilized world to fleece the consumers in the Commonwealth. We have seen a manifestation of the operation of a ring on a small scale in a highly protective State in Australia.

Senator STYLES.—Will the honorable senator give one instance of a combine in Victoria?

Senator DAWSON.—I think that the honorable senator mentioned one when the Tariff was previously before us.

Senator STYLES.—That was a ring of coal importers in New South Wales.

Senator DAWSON.—I notice that those who favour a high Tariff have on every possible occasion put forward the idea—whether it has been *apropos* or not—that it is utterly impossible for anything Australian to compete with manufactures from abroad. They seem to consider that the people of Australia are like helpless babes. It appears to me that we are often afraid to try to compete with importations from abroad; and that we anticipate failure almost before we make a start. I fail to see why we should not be able to succeed in any direction. We have been considering what duty, if any, should govern the importation of food-stuffs produced by the very class which will benefit by the reduction of this duty. It has been urged by Senator O'Connor, and those who support him, that it is absolutely necessary for the salvation of our farmers to impose high protective duties upon agricultural products, because it is impossible for them to produce, in open competition with the producers of other parts of the world, a sufficient quantity of foodstuffs and of the right quality to feed our own people. If that statement be true, and if it be true, as asserted by Senator Stewart, that it is our bounden duty to do all that we can to enable our farmers to stand upon an equal footing with those of other countries, I would remind those honorable senators that they have now a suitable opportunity to give the farmers of the Commonwealth the advantage of the best brains, not only of Australia, but of the whole of the civilized world. Whatever machinery is necessary to till the soil and to reap the produce should be in the hands of our farmers as speedily and as cheaply as possible. Instead of urging that we cannot compete with foreign competitors, we should strive for a maximum of production at a minimum of cost. We have the rich soil, and we have the area. We have an industrious and an intelligent people, who compare favourably with the people of any other country, and with our natural protection, I think we can stand against any one who may seek to compete with us.

Senator Sir JOSIAH SYMON.—It would be a shame to say anything else.

Senator DAWSON. — I think too much of my fellow Australian citizens to say anything to the contrary.

Senator DE LARGIE. — Then why is the honorable senator afraid to allow the Chinese to enter into competition with the people of Australia?

Senator DAWSON. — Surely there is a difference between the standard of civilization of the Chinese and the white man? Senator Barrett dilated this afternoon upon the harvester, or some agricultural implement of great benefit to the agriculturist. He told us that it reduced the cost of production, and that it was a purely Australian invention, but a smart Yankee appears to have got hold of it, and is manufacturing it largely in America, and selling it with great advantage to himself here in Australia. I should like to know what that has to do with the question of whether the duty in this instance should be 10 per cent. or 15 per cent.? It appears to me that the man who had brains enough to invent this particular implement did not possess enough everyday horse sense to secure himself against the Yankee. Senator Barrett seems to think that this has been due to the laxity of the patent laws of America, but surely we have our own patent laws, and this instrument could not be palmed off as an American patent if it had been properly patented in Victoria.

Senator PEARCE.—The American patent laws are the best in the world.

Senator DAWSON.—They have always been supposed to be, but I understood Senator Barrett to claim that it was because of their laxity that this mischief had been done. Another matter to which I think immediate attention should be directed is the present condition of this industry in Australia, and particularly in Victoria. Senator Barrett informs us that the position of affairs is so bad that a large number of the factories and foundries are closed, and that many men who ought to be working full time and earning ample wages are in consequence unable to do so. While the honorable senator and those who think with him, or at least vote with him, do not explicitly say so, they leave it to be understood, and I believe they understand it to be so themselves, that the reason why these factories are closed, or are not working full time, is because a particular percentage of duty is proposed under this Tariff, 10 per cent. instead

of 15 per cent. as collected now. I say emphatically that that has nothing whatever to do with it. I should like to have a plain and unmistakable statement from these honorable senators that it is because the House of Representatives cannot secure a duty of 15 per cent. rather than of 10 per cent. upon this item that these factories are closed in Victoria. Surely no one has the temerity at this hour of the day to doubt the truth of what appears in our daily newspapers? Yet when we read them we find that it is not the difference between 10 and 15 per cent. duty upon agricultural machinery which is causing these factories to be closed. I am sure that Senator Barrett has not only read it, but has also heard from respectable citizens of Victoria, that it is the fact that it is the Factories Act which is in full operation in this State that is responsible for everything, including the drought. I am given to understand that the great depression existing in Queensland, and the closing of factories there, has been brought about because the Commonwealth Parliament has passed an Anti-Kanaka Act, and in New South Wales people are satisfied that all existing evils are due generally to federation. We have had all these reasons given to account for depression, and now Senator Barrett wishes us to believe that the depression in this industry is due to a possible difference between 10 per cent. and 15 per cent., and to the fact that the Senate appears to be determined that the duty on agricultural implements shall be 10 per cent.

Senator DRAKE.—That was not his argument. He says that a duty which will keep importations out will stimulate the trade.

Senator DAWSON.—The reduced duty is not yet in operation, and yet we are told that the factories are closed. What warrant is there for believing that an extra 5 per cent. of duty will cause an additional hand to be employed in Victoria or any other State?

Senator BARRETT.—It will stop importations from America. At present the manufacturers are afraid to manufacture implements because they fear that they will be swamped by American importations.

Senator DAWSON.—How is it the market is not swamped now? The 15 per cent. is still collected. My opinion is that if the Australian farmer is to supply the

local market, and to meet the demands of those engaged in other occupations at a reasonable rate and at a profit to himself, and if at the same time he is to stand healthy competition from outside the Commonwealth, the first thing we must do for him is to afford him every opportunity of getting the most he can possibly get out of his land at the lowest possible cost. One of the best methods of doing that is to put into his hands the most modern, up-to-date, and cheapest implements it is possible to give him. If we say that he is not to use implements made outside of Australia, our duty is not to carp and haggle over a difference of 5 per cent. If that is the idea, honorable senators should not contend for a duty of 15 per cent. They should make no mistake whatever about it, but should bring about total prohibition by imposing a duty of 500 per cent. If the farmer is to have a plough we should make it as easy as possible for him to get it, and if we can do so, while at the same time having a kindly consideration for the revenue, by pressing the request of the Senate, and by fixing the duty at 10 per cent. we shall strike the happy medium.

Senator O'KEEFE (Tasmania).—I had nothing to say on the items of machinery when they were previously before the committee; but as this is one of the most important of the items remaining in dispute between the two Houses, I desire to say a word or two upon it. In voting for a duty of 15 per cent. when the matter was previously before us, I was guided by several reasons. One was that I believed that before a uniform Tariff for Australia could be passed in the Commonwealth Parliament, there must be a great deal of give and take. Under this head the duty as first proposed in the House of Representatives was 25 per cent. After a long fight it was reduced to 20 per cent., and after a second long fight it was further reduced to 15 per cent., and under the circumstances, I think the duty as adopted by the other House might be considered a very fair compromise as between free-traders and protectionists. I do not suppose that there is a member in either House of the Federal Parliament who has had more to do with extensive mining undertakings than the honorable member for Kooyong, Mr. Knox. No member of either House has been more deeply interested during the last 25 or 30 years in the biggest Australian mining concerns, and yet he was prepared to accept

the motion finally reducing the duty upon mining machinery to 15 per cent.

Senator CLEMONS.—Is there a member of either House who knows less about politics?

Senator Sir JOSIAH SYMON.—We do not accept Mr. Knox's guidance.

Senator O'KEEFE.—Honorable senators seem to be perturbed by the mention of Mr. Knox's name. That gentleman was satisfied that bed rock had been reached at 15 per cent. As a man personally interested in the imposition of the lowest possible duty for mining machinery, Mr. Knox was satisfied to accept a duty of 15 per cent.

Senator DAWSON.—He spoke of mining machinery only, and he had no warrant from any public body for what he said.

Senator O'KEEFE.—He had the warrant of his own pocket and his own interests, and that is a pretty good warrant for any man.

Senator Sir JOSIAH SYMON.—Does the honorable senator mean to say that Mr. Knox was actuated by a consideration for his own interests?

Senator O'KEEFE.—Men are often actuated, to a certain extent, by a consideration for their own interests. I should not, of course, like to say that any honorable senators in this committee would be so actuated, but reductions of duties have been supported here in the case of articles in which some honorable senators have been interested. If we are ever to get finality, and to pass a uniform Tariff for the different States, there must be some give and take; and I believe that 15 per cent. is as low a duty as we can reasonably expect the makers of machinery in Australia to accept. Speaking for myself, almost since I was as high as the table, I have been interested in mining and mining fields; and, in a small way, a reduction of the duty from 15 to 10 per cent. might favourably affect me.

Senator Sir JOSIAH SYMON.—We are dealing now with agricultural machinery.

Senator O'KEEFE.—That is so, but I take it that the whole of this discussion relates to machinery, and whatever is said upon the first item will apply to those which follow, seeing that the Senate has already made a uniform request in connexion with the duty upon all machinery.

Senator CLEMONS.—There is a little place called Tasmania where this machinery was admitted free.

Senator O'KEEFE. — Agricultural machinery was admitted free there, but there was a duty of 10 per cent. upon mining machinery. Why the difference? I believe that agricultural machinery should not be placed on a better footing than mining machinery.

Senator PEARCE. — We do not propose that.

Senator O'KEEFE. — The Opposition propose to adhere to the request for a 10 per cent. duty all round. I would deal with the machinery duties as a whole. I submit that the other House had arrived at a very fair compromise when it reduced the duty from 25 to 20, and eventually to 15 per cent. Although I am interested in the mining industry, and have no interest in the manufacturing industry, I consider that Parliament will be doing a very bad thing for the workers of Australia if it reduces the duty to a point which will injure the latter. The machinery manufacturers cannot suffer, and their men be thrown out of work without indirectly injuring the workers in the mining industry. If men are thrown out of the machinery factories, to what places will they go? They will go to the mines as unskilled labourers and bring down the rate of wages, as has been done over and over again. I know that it has been done in Tasmania. I do not think that any representative of Western Australia will deny that when men are thrown out of work and cannot get employment at their own trade, the tendency is for them to go to the mining fields. I am satisfied that, from the Australian point of view, it will be better to fix this duty at 15 per cent. It has been clearly shown that nothing less than that rate will allow very many of these factories to be carried on. It will be very difficult, indeed, for any honorable senators to controvert the figures and the facts which were submitted by Senator Barrett. If we are going to hold out the olive branch let it be done in connexion with some item on which the other House has compromised to a very large extent. Surely no one will deny that in this case a very big compromise has been made between two sets of opinions. If there is no chance of the other House accepting our request—and I do not believe there is—what position will honorable senators be in then? They will be in exactly the same position then as they are in now. If they wish to get a uniform Tariff they might as well give way now as yield then.

Senator Sir JOSIAH SYMON.—Why? The request was carried by a majority of four, and in the other House it was dissented from by a majority of only three.

Senator O'KEEFE.—The honorable and learned senator ought not to ask that question, because, as leader of the free-trade party here, he knows perfectly well that an enormous compromise was made between the free-traders and the protectionists in the other House.

Senator Sir JOSIAH SYMON.—No; the statement is absolutely without foundation.

Senator O'KEEFE.—That statement is only in accordance with many others which the honorable and learned senator has made. If honorable senators on the other side are prepared to agree to a duty of 12½ per cent., why does not one of them stand up and propose that the request be modified in that direction?

Senator STYLES (Victoria).—I should not have risen, only that I think Senator Dawson was rather severe upon Senator Barrett. Senator Dawson cannot understand why 5 per cent. should make any difference in a protective duty. He thinks that it would make very little difference whether the duty was 10 or 15 per cent.

Senator DAWSON.—I said that if your reasons were correct, I could not see why 5 per cent. should make a difference.

Senator STYLES.—It makes a great difference. A 10 per cent. duty would not enable the manufacturers to carry on, but a 15 per cent. duty would enable them to compete with importers. I apprehend that one of the objects we should have in view is to set the importer against the manufacturer and the manufacturer against the importer to some extent, in order to protect the users of the articles. The honorable senator spoke of rings and combines in Australia. I asked him to name a ring or combine which has been the outcome of protection in Victoria or in Australia, and he could not cite one case. He said that he thought he had heard me refer to one. He alluded to the coal importers' ring, from which I suffered many years ago. It can be easily understood why a ring or a combine can be formed much more readily by importers than by manufacturers. In most cases manufacturers start in a very small way. As there is a great number of them—I believe that in Victoria alone they number 400 or 500—it is a difficult thing for a ring to be formed. It

is not so difficult for half-a-dozen wealthy importers to combine. If we are to suffer from combines, I would rather have a combine in Australia than outside. We should have no control over a combine formed outside the Commonwealth, but a combine formed inside the Commonwealth might be subjected to control. I was rather surprised at the gibe of Senator Clemons against his fellow free-trader, Mr. Knox, who has had the honour of an interview with the President of the United States, because I am quite sure that it has added lustre to the free-trade party in this Parliament. Senator Dawson talked of prohibition in connexion with this item. Supposing that there was prohibition, there would be sufficient manufacturers to compete with one another, as they do in the case of hats. Senator Symon told us only yesterday that in his State Victorian hats compete with imported hats, showing that it is a good thing to have manufacturers in Australia. Without such competition there could, and no doubt would, be combines. The bigger the trade is the more likely are those combines to be outside the control of the Commonwealth. I have the greatest respect for a consistent free-trader, but not for a free-trader like Senator Dawson, whom I find one day voting for protective duties, and next day ridiculing a protective duty of only 15 per cent. One day he votes for a protective duty on articles produced in Queensland. He also supports a duty of £6 a ton on sugar produced in Queensland, and in order to favour the white men there, he said—"We shall impose on sugar an excise duty of £1 a ton when grown by white labour, and £3 a ton when grown by black labour." The people of Victoria and the other States where sugar is not grown pay that duty ungrudgingly. The working men who pay the bulk of the duty do not complain, though, of course, the *Argus* will always complain as the mouth-piece of the persons who are well off. What I wish to point out is the inconsistency of a free-trader, and a labour representative too, who will consent to impose this enormous duty on sugar for which I voted, but who, in the case of agricultural implements, thinks that a 15 per cent. duty may be prohibitive. These implements are not made to any great extent in Queensland, but they are made to a great extent in Victoria. That is some more of the geographical free-trade of which we

Senator Styles.

have heard so much. Harvesters, he says, are made in America. The pattern was taken from Victoria, and the machines are turned out by the thousand in America. Senator Dawson approves of the importation of the machines, otherwise he would not vote for a 10 per cent duty. His argument is—"Let the money go away to employ the artisans of America, and not the artisans of Australia, where the machines were first invented and made, and where they can be made in any number, though at the present time not so cheaply as in America." The demand here is not large enough to induce the manufacturers to turn out the machines by the thousand every year. But with a bigger population settled on the lands, the time will come when they will be made as cheaply in Australia as in America. It is the same with reapers and binders. In America, some of the establishments turn out tens of thousands of these machines in one year, or more than are required in Australia altogether. Senator Dawson says—"Let us get the machines from the cheapest place. We shall send our money to America instead of employing our own people to make the machines here."

Senator DAWSON.—Did the honorable senator hear me say that?

Senator STYLES.—I understood that that was the drift of the honorable senator's argument.

Senator DAWSON.—I am not responsible for Senator Styles' understanding.

Senator STYLES.—I am delighted to hear that. Certainly the drift of the honorable senator's argument was that he did not want these machines to be made here. What other inference can be drawn when the honorable senator says that a duty of 10 per cent. is enough?

Senator DAWSON.—I believe that it is too much.

Senator CLEMONS.—Senator Styles knows that the local maker will live up to the duty whatever it is.

Senator STYLES.—The competition amongst the manufacturers keeps down prices.

Senator BARRETT.—What about the price lists which I read?

Senator STYLES.—I have no doubt they were correct.

Senator PEARCE.—Perhaps they were like the statements of Messrs. Lewis and Whitty.

Senator STYLES.—We have heard enough about the starch question. I am surprised at the young free-trade authority from Western Australia bringing up starch again. What has it got to do with agricultural implements? I like to see a man consistent. Senator Dawson voted for protection only yesterday, when it was a question of protecting commodities produced in Queensland.

Senator PEARCE.—Even the gods nod.

Senator STYLES.—I can understand a consistent free-trader. I have the greatest respect for my honorable friend Senator Pulsford. But yesterday one of the free-trade gods nodded when he voted for high duties.

Senator DAWSON.—The honorable senator was a low-tariffist last night.

Senator STYLES.—Another god nodded then. The object of these remarks is to show that Senator Dawson is rather inconsistent in not assisting the agricultural implement makers, and in being a protectionist on one occasion and a free-trader on another.

Senator PEARCE (Western Australia).—Senator O'Keefe opened up a phase of this discussion that we ought to follow. We ought not at this stage to go into the merits of the duty so much as the reasons why we press for our request being agreed to by the House of Representatives. Senator O'Keefe says that what is proposed is in the nature of a compromise with the duty sent to us by the House of Representatives. The compromise we should endeavour to effect is one with the people outside Parliament. We ought to ascertain what the will of the people is in regard to these duties on agricultural machinery. They expressed their opinion by means of the duties in the State Tariffs. Through four of the State Tariffs the people said—"We will not tax mining and agricultural machinery." In two of the State Tariffs the people imposed a duty on these goods. We should, therefore, endeavour to ascertain what would be a fair compromise as between the four States which had no duties on agricultural machinery, and the two States which imposed duties.

Senator DRAKE.—The honorable senator has not been in the habit of agreeing to compromises of that kind.

Senator PEARCE.—But if we are going to look at this matter from the point of view of compromise, what I have indicated is

what we ought to take into consideration. As two States had a duty of only 15 per cent., we cannot say that 15 per cent. is a compromise duty. Surely 10 per cent. is more in the nature of a compromise than 15 per cent. Senator Styles has asked Senator Dawson to mention some articles in regard to which a combine has been formed as the result of duties. Our experience in Western Australia has been sufficient to supply an answer to that demand.

Senator STYLES.—I said in a protectionist State.

Senator PEARCE.—In Western Australia we had a Tariff imposed for protectionist purposes. There were duties on stock, on meat, and on flour. We very soon had a ring formed by the dealers in meat and by the flour millers. We should look at the question of the manufacture of agricultural implements in a reasonable light. Does any one find the American manufacturer competing successfully with the Australian manufacturer in regard to any machinery the patent rights of which are held here? Does the American compete successfully with the Australian in the manufacture of stump-jumping ploughs? Of course not, because in that case there is an Australian patent and practically an Australian monopoly in manufacture. But when we come to machinery that is used in America as well as in Australia—such as the cultivator—it stands to reason that the American manufacturer can beat the Australian, because he has a wider market. One factory can turn out enough machines to supply the demands of all Australia, and when there are half-a-dozen factories in Australia, how can they expect to compete with one big American factory, capable of turning out an enormous number of machines? A duty of 15 per cent. would not be sufficient for that purpose. But, in my opinion, we should look not so much to the interests of the manufacturers as of the consumers, because it is the people who use these goods—it is the farmer and the miner—upon whom the prosperity of Australia must rest. If the miners, and the farmers, and the pastoral community are prosperous, manufactures will follow in the wake of their prosperity. The experience of Western Australia has proved the truth of that statement. Senator Styles always seems to think that if there are no protective duties there can be no manufactures. But we have had manufactures established

in Western Australia without protective duties for their benefit. Our experience as a young community proves that when the primary industries are prospering, the manufacturers who supply their wants will also prosper without any artificial stimulus. The great fallacy of the protective policy is in attempting to give an artificial stimulus to industries. That causes the establishment of a greater number of manufactures than are needed, and we quickly have a condition of over-production. Then follows the unemployed trouble. Notwithstanding the high Tariff in Victoria, I defy any one to prove that protective duties were a cure for the unemployed trouble.

Senator HIGGS.—Free-trade is no cure.

Senator PEARCE.—I know that it is not; but Senator Barrett claims that by imposing high protective duties, we shall be giving employment to artisans, when he knows as well as any member of this Senate that all the high protective duties of Victoria have failed to find work for the unemployed.

Senator BARRETT. — Let the honorable senator ask the Agricultural Implement Makers' Society what they think, and he will get a warm response.

Senator PEARCE. — Because they are under the same delusion as Senator Barrett. I suppose he means that they would try to impress their views upon me by force. These very same men only a few days ago passed a resolution to the effect that the State should not make its own railway trucks, but should leave their manufacture to private employers. Is that any reason why I should say that the State ought not to make its own railway trucks? I have quite as much sympathy for the unemployed as has the honorable senator.

Senator BARRETT. — The honorable senator's votes do not show it.

Senator PEARCE. — My votes are not cast in the same direction as those of Senator Barrett upon this Tariff, because I recognise that the cure he offers for the unemployed trouble is simply a delusion and a snare, and that is proved by the history of the State he represents. Protection has not cured, but has accentuated the unemployed problem in Victoria, and I am not going to cast a vote to perpetuate that policy. Will any one say that if we imposed a duty of 15 per cent. on agricultural implements, work would be found for the

unemployed? Of course, it would not be. I again urge that if honorable senators desire to compromise they should recollect that there was no duty on agricultural implements in four of the States before federation. Notwithstanding this fact, however, there were 8,650 employes engaged in this industry in those States, whereas in the States which had protection there were only 8,410 employes. On these grounds I urge that 10 per cent. is a fair compromise and should be accepted by the Senate.

Senator EWING (Western Australia).—There is a great deal in what Senator Pearce has said, that if we are going to compromise we should consider the needs of all the States. We are here as representatives of all the States, and it should be our endeavour to compromise with a view to their interests. As to the unemployed trouble, the real cure for it is the development of our mines, of our farming, and of every natural industry we possess as far as possible. If the miners and the farmers are prosperous there will be a large demand for mining and agricultural machinery. Senator Baker admitted that the duties, which were imposed ostensibly for the benefit of the farmers, would confer no real good, and no one ever pretended that the miners would derive any advantage from the imposts levied under the Tariff. The duties are framed with a view to benefit the workers and manufacturers of the large cities.

Senator STYLES.—Those are the men who mainly keep the mines going.

Senator EWING.—Has the honorable senator taken leave of his senses? Nothing could be more ridiculous than to say that the manufacturers of Victoria keep going the mines of Western Australia and Queensland. The only benefit we can confer upon the farmers is that which may be derived by them from the facilities offered for obtaining the most modern machinery at reasonable prices.

Senator HIGGS (Queensland).—I cannot allow this important item to pass without saying a few words. Senator Symon remarked that we should not take any notice of opinions expressed by Customs officers. He further stated that it was most embarrassing to Customs officials to be called upon to express opinions regarding matters of policy, and Senator Fraser concurred in that view. Both these honorable senators,

however, accepted the opinion of Dr. Maxwell, a gentleman who was employed by the Queensland Government, upon another matter which was recently under discussion in this Chamber.

Senator FRASER.—He was an expert specially brought here to give us the benefit of his opinion.

Senator HIGGS.—He was just as much a public servant as is a Customs officer, and the only difference between them is one of salary. They are both experts in their own departments. Senator Symon stated that the Customs officer from whom the opinion was obtained, was a creature of the Government, but the same term might with as much justice be applied to Dr. Maxwell. I have some information showing how the reduction of the duty upon machinery is affecting the manufacturers within the Commonwealth. Messrs. Nicholson and Morrow, of Melbourne, have practically closed their works; Mr. H. B. McKay, of Ballarat, discharged 70 men fourteen days ago; Messrs. Mitchell and Co., of Melbourne, have reduced their staff, and are working their employés for half-time. Messrs. T. Robinson and Co. have been working their men for half-time throughout the year. Mr. Hugh Lennon has reduced his staff, and those who remain in the works are employed only half-time, and the Clyde Engineering Works of New South Wales have not turned out any harvesting machines this year owing to the unsettled state of the Tariff and the reduction of the duty. The same remarks apply to the Meadow Bank Works near Sydney. Messrs. Cliff and Bunting have been working their hands half-time only for the last three months. These firms directly employ painters, tin-smiths, blacksmiths, carpenters, fitters and turners, bolt and nut makers, and iron-rollers; and indirectly they afford employment to coal-miners, timber-getters, railway employés, leather-belt makers, foundry-men and printers. These facts should weigh with honorable members. The manufacturers have found their operations hampered owing to the attacks made upon the duties by the free-traders, who are engaged in a conspiracy to ruin their business. I do not consider the attitude of the free-trade party at all fair, in view of the fact that we are protecting the farmer to a very considerable extent. I have here a publication containing a series of articles which appeared in

the Melbourne Age some time ago. The contributors to that paper have carefully studied the question of free-trade and protection, and show a more intimate acquaintance with the subject than do the writers for any other of the Australian newspapers, except, perhaps, the Sydney Bulletin. One of the paragraphs reads as follows:—

It is not difficult to track the trail of this pretence, and show just where it leads to. The farmer is told that when he pays 15 per cent. duty, or 15s. to 40s. on his plough, he is weighted with an unjust burden. That 15s. is to be reduced to 5s. and 10 per cent. added to the tea and coffee duties. We can easily see how this will work out. A plough will last fifteen years at least. That is a colonial-made plough. Not an imported one—which will not last half as long. The present duty on the plough, spread over fifteen years, means from 8d. to 2s. per year, according to the cost of the article. But if the free-trader is permitted to take the 10s. off the farmer's plough, and put 10 per cent. extra on his tea and coffee, instead of costing him 8d. per year, it would increase the cost of his living by at least 1s. per month. This would save the farmer 8d. a year, and tax him 12s. a year. A free-trade method of relieving him.

The members of the free-trade party, with few exceptions, endeavoured to impose duties upon kerosene and tea. Senator Pearce and one or two other enlightened members of that party were, however, in favour of the admission of those articles free of duty. We afford protection to the farmer by imposing duties upon grain of all kinds, cattle, pigs, sheep, butter, cheese, eggs, fresh and preserved meats, provisions, green and preserved fruits, potatoes, flour, jams, chicory, broom-corn, cider, pulse, malt, hops, tobacco, sugar, wine, ale and beer made with malt and hops, biscuits made of prepared grain, leather, preserved milk, grass and clover seeds, olive and other oils, pickles and sauces, and canary seed. All these articles are protected by the imposition of duties higher than 15 per cent. In order to further assist the farmer, we admit free of duty kerosene, tea, manures of every kind, cream separators and testers, sewing-machines, sheep-shears, sickles, horses, adzes, cattle, sheep, pigs, and poultry, for the improvement of breeds; axes, bones, bran bags, garden shears, grindstones, minor articles for making whips, &c., hay-knives, rabbit-traps, scouring machinery, scythes, and spades. Surely, under the circumstances, we may fairly ask those engaged in agricultural and similar pursuits to pay 15 per cent. duty on any imported machinery they may wish to use. It has

been explained that the price of the machinery required by the farmer is not likely to be raised on account of the duty, because the importer will, without doubt, reduce his prices. There has been no demand on the part of the farmers for a reduction of the duty upon machinery. Not one public meeting has been called to advocate such a change, but, on the other hand, farmers who have spoken on public occasions have expressed themselves in favour of protective duties. That should weigh with those honorable senators who appear to have some motive, other than a question relating to the Tariff, in pressing these requests.

Senator PULSFORD.—What is the hidden object?

Senator HIGGS.—To endeavour to glorify the free-trade party at the expense of the Commonwealth; to snatch a victory because there have been some accidental appearances in the Federal Parliament so far as the fiscal question is concerned. In some contests that question was not mentioned, but if the elections were fought again, possibly the free-traders might not have the majority of one or two, which they find so invaluable at the present time. Honorable senators have heard of the very lengthy discussion which took place in the House of Representatives upon this item. The Government originally proposed a duty of 25 per cent., but that rate was ultimately reduced to 15 per cent. Honorable senators of the Opposition, appear to be willing to compromise only when they have counted heads—when they know that Senator Dobson or Senator Baker or some other honorable senator is not going to vote with them. I have here a letter written by the secretary of the Victorian Protectionists' Association, Mr. Mauger, M.P., which contains an important statement made by a leading machinery firm. The statement is as follows:—

We cannot compete against the foreigner successfully, for the following reasons:—The price of labour with him is much cheaper than with us. They have a longer working day, immense supply of all kinds of raw material close at hand, at much lower rates. He has the world's markets close to his own ports, and the fact that he can turn out his machines in thousands to our hundreds, enables him to erect expensive and up to date machinery, and thereby lessen the cost of production. The goods are invoiced to the branch houses of Australia at manufacturers' cost price, as they are only dealing among themselves, and the duty paid here is not a fair calculation. The distance of Australia from the other parts of

the globe is not very much protection as far as freights are concerned.

Senator PULSFORD.—It is a very great protection.

Senator HIGGS. — The letter continues—

These are cut so low by subsidized companies that machines can be landed in Australia from America for the same amount as it would cost to send them from, say, Melbourne to any port in other States of the Commonwealth. At the present time, there is not one firm in the country that is making any money in the business, and it is merely a question of who will last the longest. With the immense wealth behind the foreigners, there can be little doubt as to the result, and when once they have the local manufacturers out of the way, they can fix their own prices. Once local industries have been destroyed, it will be a hard matter to rebuild them, as it is much easier to destroy than to establish.—

That is a truism which the free-trade iconoclasts of the Opposition should paste up in their bedrooms.

Throughout the year we employ between 80 and 100 hands all told, and pay annually over £6,000 in wages without taking into consideration the cast and malleable iron foundries and numerous other industries which are partially dependent upon this trade for their existence. It is only during the past few years that the Americans have copied the local articles, and to show the harm they have done us, we give our turnover for the last four years as follows:—1898, £21,167; 1899, £19,100; 1900, £19,052; 1901, £17,834.

Senator GLASSEY.—What firm is that?

Senator HIGGS.—An important Australian machinery firm whose name is not disclosed. The statement continues—

To show which way the wind blows, we may say that we have now secured the agency for one line of American machinery, and are arranging about others, as we find that it will pay us better to import than to manufacture under existing circumstances.

Who can blame this large manufacturing firm if, finding that they cannot compete with the American firms, they become importers' agents? In other protected industries, such as the clothing trade, we find that great importing free-trade firms are becoming manufacturers. The firm of Messrs. McArthur and Co., of Sydney, of which Sir William McMillan is one of the chief members, has extended its operations in this direction. It has actually sent to this benighted State to secure, as a manager for its factory, Mr. Fotheringham, who threw up his seat in the State Legislature in order to go to Sydney.

Senator PULSFORD.—They are prepared to work without duties.

Senator KEATING.—Why have they not done so before?

Senator PULSFORD.—They have.

Senator HIGGS.—The honorable senator knows that these extensions to Messrs. McArthur and Co.'s business have been made only since the introduction of the uniform Tariff. We should at least give these machinery manufacturers the protection that we have given to that firm. Senator Pulsford suggests that the freight charges are a very great deterrent to importing, but we are all aware of the changes which have been made in this direction during the last 25 years. At one time the voyage from England to Australia occupied five or six months. Nowadays a steamship travels between England and Australia in a few weeks, while sailing vessels occupy only a very few months. We have also to remember that the subsidized steamships land commodities here at very low rates. Once the importers secure possession of the market, we know what they will do. We have only to look for example to Senator Sargood's especial friends, Messrs. Colman and Co., starch manufacturers, who retail starch in London at about £10 per ton above the price at which they are selling in this country.

Senator Sir FREDERICK SARGOOD.—That is not a fact. I explained the position last night.

Senator HIGGS.—I have a statement to the effect that—

Mr. Harper has shown that Colman's starch is quoted wholesale in bond in Melbourne at 2½d. per lb., and his own 3 1-7d., or exactly ½d. per lb. extra. The British Grocers' Association has resolved that the London retail price of Colman's starch is to be 5d. per lb. Now, if the suggested starch duty of ½d. were added to Colman's 2½d., it would still leave the selling price slightly above Harper's. —

The ACTING CHAIRMAN.—Does the honorable senator think that is relevant to the question before the Chair?

Senator HIGGS.—I was only endeavouring to show what will take place when the importer succeeds in stamping out the local manufacturers of machinery. It is very easy for an honorable senator to deny that Colman's starch is sold cheaper here than in London, but documentary evidence can be produced to the contrary. I do not happen to have any such evidence at hand just now, for I did not think that honorable senators of the Opposition would be so unwise as to press this request.

Senator DAWSON (Queensland).—In replying to some previous remarks of mine Senator Styles, a short time ago, evidently found a special delight in taxing me with inconsistency by declaring that last night I voted for protection, whereas to-night I am advocating free-trade. So far as the present proposal is concerned, I wish to say at once that I fully recognise that we are now discussing these items for the second time. Consequently they are in an altogether different category from that in which they were when the Tariff made its first appearance in this Chamber. In this connexion, I say unhesitatingly that it ought to be the endeavour of honorable senators to meet those who are opposed to them upon each particular item in the House of Representatives if they can do so without doing great violence to their own opinions. The Tariff to become law must be a matter of mutual agreement between both Houses. If upon the second appearance of the Tariff in this Chamber, I vote contrary to the direction in which I voted when the measure was previously under consideration, I do so for the reason I have stated. In advocating what I did formerly, I am sorry that I angered Senator Styles, and I trust that before to-morrow he will have recovered. In the meantime, I recommend that when he undertakes the task of chastising and correcting another senator he should endeavour to be accurate, or at least as accurate as he can be, for even a protectionist can be accurate if he only takes sufficiently long to think about it. I have in my hand an advance copy of the journals of the Senate, which records exactly what took place at a previous sitting. It is a very great pity that these journals are not circulated amongst members daily, so that should any such question arise, as was raised by Senator Styles this afternoon, a member may by reference to these official documents learn exactly what occurred. In looking over the journals in question, I find that my votes are recorded against the Government in every instance save one which had reference to the duty upon rice. Upon that particular item I consulted some of my protectionist friends—I am not sure that I did not even consult Senator Styles himself. My difficulty on that occasion was in deciding which of the two proposals submitted was likely to yield the most revenue. I received an assurance pretty well all round that the Government proposal

would probably produce more revenue than would that of Senator Symon. Believing that protectionists could occasionally tell a doubting fair-trader the truth, I voted with them in that particular instance. Upon the divisions which took place regarding the duties to be levied upon foodstuffs, I voted with the majority, because I thought it was better for all concerned that articles which enter into universal consumption should be placed within reach of the poorer classes at as cheap a rate as possible. I believe in reaching the largest number of people and the most deserving. Concerning the item under consideration, I am in favour of Senator Symon's proposal for exactly the same reason. I believe that by its adoption we shall benefit the farmer, the revenue, and the consumer. As I voted for cheap foodstuffs for the consumer, so I shall vote in favour of cheap machinery for the farmer in order that he may produce as cheaply as possible with profit to himself. The farmer wants a market. Give it to him. I am satisfied that if we unduly tax him we shall be doing everything that we can to ruin his industry. In this connexion I would remind honorable senators who talk about the ironfounders that the user of machinery is the individual who should receive their first consideration. What is the use of a foundry making all sorts of agricultural machinery if there is not a sufficiently large and well-to-do public to purchase it? The circumstances surrounding each case must be considered. This afternoon Senator Higgs quoted a number of extracts, and assured us, in a solemn tone which is peculiarly his own, that the authority from which he quoted could not be gainsayed. It was the one authority, he said, that could not be questioned by any reasonable person. I refer to the *Age*, and I ask Senators Higgs and Styles to read to-day's issue of that journal, which contains a well-thought-out article dealing with a particular duty which will shortly claim our attention. *The Age* strongly urges that fuel oil should be admitted free. Why? Because by doing so we shall enable the manufacturer to secure a fuel that is cheap and within easy reach with which to carry on his manufactures.

Senator STYLES.—But it cannot be produced in Australia.

Senator Sir FREDERICK SARGOOD.—Oh, yes; it can.

Senator Dawson.

Senator DAWSON.—But its competitor, coal, can. That is exactly the position which I take up in regard to the duty upon agricultural machinery. Senator Styles has twitted me with having agreed to a duty of £6 per ton upon sugar. Surely by no stretch of imagination can it be said that the two cases are analogous. The rebate upon sugar is practically a bonus which is paid to cultivators of cane who employ white labour only in the production of their sugar. Honorable senators have been referred to the *Age* for instruction, and in this connexion I wish to quote what that indisputable authority has to say. He says—

Protection cannot be given in external markets, and the farmers not only supply the home market completely, but export a large surplus. The greatest consideration which can be given to the farmers is to protect them in whatever department their produce has yet to compete with imports in the local markets. About the only item in which this competition takes place is stock, and it is only natural that, in respect of this, the farmers should demand and receive effective protection.

Mr. A. McLean, a prominent protectionist in this State, also made a similar pronouncement. In counselling the committee to adhere to the 10 per cent. duty, I do so, not as was suggested by Senator Styles because I wish to deny to Australians the opportunity of obtaining employment in the manufactory of machinery which is used locally, but because I think we are affording them the best opportunity to do well by giving them the benefit of the widest possible market in which to obtain that machinery. Moreover, all the calamities which protectionists have predicted will accrue under the operation of a 10 per cent. duty will not be warded off by the imposition of a 15 per cent. rate. Those factories in our midst which have closed their doors, or reduced the number of their employes will not be active if we agree to a 15 per cent. duty, as is evidenced by the fact that that rate is now in operation. If our farmers are to use machinery, let them obtain it under the best terms possible, so that they in turn may supply their customers with produce as cheaply as possible. I think that a 10 per cent. duty will fairly meet the whole case.

Question—That the request be not pressed—put. The committee divided.

Ayes	...	...	...	11
Noes	...	...	...	15
Majority	...	...	...	4

AYES.

Barrett, J. G.	O'Connor, R. E.
Drake, J. G.	Playford, T.
Fraser, S.	Stewart, J. C.
Glassey, T.	Styles, J.
Higgs, W. G.	<i>Teller.</i>
Keating, J. H.	O'Keefe, D. J.

NOES.

Baker, Sir R. C.	Millen, E. D.
Charleston, D. M.	Pearce, G. F.
Clemons, J. S.	Pulsford, E.
Dawson, A.	Sargood, Sir F. T.
De Largie, H.	Smith, M. S. C.
Dobson H.	Symon, Sir J. H.
Ewing, N. K.	<i>Teller.</i>
Gould, A. J.	Macfarlane, J.

PAIRS.

For.

Cameron, C. St. C.
Zeal, Sir W. A.
Downer, Sir J. W.
McGregor, G.
Best, R. W.

Against.

Walker, J. T.
Ferguson, J.
Harney, E. A.
Neild, J. C.
Matheson, A. P.

Question so resolved in the negative.

Item 78. Manufactures of metals, viz.:—
Horseshoe nails, 5s. per cwt.

Senate's Request.—Add to special exemptions.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

I should like, in the first place, to call attention to the anomalous position in which this matter has been left by the request of the Senate. The Senate requested that horseshoe nails should be put upon the free list, but wire nails have been left dutiable at 5s. per cwt. Wire nails are dealt with cold, and are put through machinery, and as one man can watch a couple of machines, the labour employed in their manufacture is very small compared with the labour employed in the manufacture of horseshoe nails. These require to be heated to a welding heat, and have to pass through two or three processes. Their manufacture gives employment to two or three times the number of hands required in the manufacture of wire nails. If there is to be any justice or any equality in the incidence of these protective duties, surely some consideration should be given to this industry for the manufacture of horseshoe nails. I ask the committee to recognise that a mistake has been made here, and to leave horseshoe nails dutiable as proposed in the Tariff as it came up to the Senate.

Senator Sir JOSIAH SYMON (South Australia).—I quite recognise the anomaly

to which my honorable and learned friend has directed attention, and I think it is only fair that it should be set right. At the time that the committee carried the request that horseshoe nails should be made free, wire and other nails were left dutiable at 3s. per cwt. ; and an anomaly was certainly created in that way. I propose to yield to what the Vice-President of the Executive Council has said, and modify the request by proposing that the duty upon horseshoe nails should also be 3s. per cwt. That will place all nails upon the same footing. I move—

That all words after the word "be" be omitted, with a view to insert in lieu thereof the words "modified by requesting the House of Representatives to make the duty 3s. per cwt."

Senator O'CONNOR.—I should like to point out to the honorable and learned senator, who, I assume, wishes to do justice in this matter, that he does not remedy the anomaly by putting horseshoe nails in the same position as wire nails. As I have pointed out, what we desire to do is to protect the labour employed in these manufactures, and there is no comparison between the amount of labour employed in the making of wire nails and in the making of horseshoe nails. If we once admit the principle and agree to give protection to the manufacture of horseshoe nails, let us do it in a way that will be substantial. I hope that the honorable and learned senator, having admitted the necessity of doing something to remove the anomaly, will go as far as is necessary for the purpose.

Senator BARRETT (Victoria).—If Senator Symon persists in the course he has taken, I shall be compelled to take up some time in discussing this matter. A duty of 3s. per cwt. will be no protection whatever for the manufacture of horseshoe nails. There is a great deal of difference between horseshoe nails and wire nails, which are made principally by machinery. I hope the committee will agree to the original proposal for a duty of 5s. per cwt.

Senator Sir JOSIAH SYMON.—Senator O'Connor has suggested with more feeling than we usually expect to find imported into a horseshoe nail, that I ought to go a little further. I think that a proposal to agree to a duty of 3s. per cwt. is a substantial concession, in view of the fact that the Senate by a considerable majority

has already requested that they should be free. I do not see why 5s. per cwt. should be given as a bonus to the makers of horseshoe nails. However, in the spirit of concession, and with a desire to see, as we shall very soon, a settlement of the Tariff, I ask leave to withdraw the amendment I have moved. I am quite willing that all those who use horseshoe nails shall pay an extra 5s. per cwt. for them.

Amendment, by leave, withdrawn.

Motion agreed to.

Item 78. Manufactures of metal, viz., Engines, gas and oil, and high-speed engines and turbines, water and steam, *ad valorem*, 15 per cent.

Senate's Request.—That the duty be reduced to 10 per cent.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

In this case the Senate carried the request to reduce the duty from 15 per cent. to 10 per cent. I think it is generally regarded, and properly so, that all the items of machinery stand upon the same footing. As there has been a very full discussion on the first of these items, and as the committee has voted upon it, I think it is not only not necessary, but that we should not be justified in taking up public time in debating the matter any further. I therefore propose to adopt the course of allowing the question to be put in each of these cases. I shall give my vote with the "Ayes," but I do not propose to ask for a division, being satisfied that the division in the last case will apply to all these items of a similar kind.

Motion negatived.

Item 78. Manufactures of metals, viz., Engines, *ad valorem*, 15 per cent.

Senate's Request.—That the duty be reduced to 10 per cent.

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) negatived—

That the request be not pressed.

Item 78. Boilers, pumps, machines, and machinery, n.e.i., *ad valorem*, 15 per cent.

Senate's Request.—That the duty be reduced to 10 per cent.

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) negatived—

That the request be not pressed.

Item 78. Mining machinery, n.e.i., *ad valorem*, 15 per cent.

Senate's Request.—That the duty be reduced to 10 per cent.

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) negatived—

That the request be not pressed.

Item 78. Electrical machinery, *ad valorem*, 15 per cent.

Senate's Request.—That the duty be reduced to 10 per cent.

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) negatived—

That the request be not pressed.

Item 78. Electrical appliances, n.e.i., *ad valorem*, 15 per cent.

Senate's Request.—That the duty be reduced to 10 per cent.

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) negatived—

That the request be not pressed.

Item 78. Special exemptions.

Senate's Request.—That linotype, monotype, monoline, and other type composing machines be omitted.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

This matter is not in the same category as the others, but I do not propose taking up time in repeating arguments which have been used before. I hope that so far as the merits of the question are concerned, each side is perfectly satisfied with its own view. With regard to the new view, which must be taken, that we must come to an agreement, I am quite certain that honorable senators feel the responsibility that they have in giving a decision. I am afraid that nothing I can say will alter that. I hope that in this instance the committee will see the advisability of not adhering to the request.

Senator HIGGS (Queensland).—We do not like to put our colleagues in an unfortunate position; and I understand that the House of Representatives being, I suppose, afraid of the press, has declined to tax linotypes. Members of the other place probably expect to be "wiped out" if they vote for a duty on linotypes, and, therefore, I suppose we ought not to press the request of the Senate. It is a great pity,

however, when an opportunity is offered to make all classes in the community bear a fair share of taxation, that a call is not to be made on the big newspaper proprietors. It may be true that for the large newspapers, linotypes have already been imported, but the machines may have to be renewed or increased in number. I know of certain proprietors of big newspapers who have not yet got these machines, but who intend to get them; and the advantage to them of being able to throw a large number of compositors out of work is so great that some revenue might well be raised in this connexion. And there is a special reason why newspaper proprietors ought to pay a duty on linotypes, seeing that their paper is imported free, and that they do not appear to pay duty on any of the materials which they use.

Senator PLAYFORD.—Duty is paid on printers' ink.

Senator HIGGS.—Ink is a very small item compared with that of paper. There ought to be some "backbone" about politicians. I believe I have some reason to thank the press, though I certainly am of opinion that the greater portion of my struggle to a seat in Parliament was in defiance of its influence. I shall vote for pressing the request of the Senate, though I do not think it is of much use doing so. I am very anxious that we should send from this Chamber as few renewed requests as possible, so that we may get to the real business. I am thankful to Senator Symon for withdrawing his opposition to the duty on horseshoe nails, but I cannot allow the opportunity to pass without emphasizing my opinion that newspaper proprietors ought to pay their fair share of taxation. I do not refer to small country newspaper proprietors, like Senator Pulsford, but to big newspaper proprietors like those of the *Melbourne Argus* and *Age*, of the *Sydney Daily Telegraph* and *Morning Herald*, and the *Brisbane Courier* and *Telegraph*.

Senator CLEMONS (Tasmania).—I intend to vote for adhering to our previous request.

Senator GLASSEY.—Does the honorable senator intend to call for a division?

Senator CLEMONS.—I do. This is a question on which we can vote irrespective of party and sides; it is not a matter of protective incidence. Linotypes are not made in the Commonwealth, and I suppose every honorable senator regards it as his duty to

do something in order to provide revenue. An opportunity is here offered to raise a certain amount of revenue at a rate which is not exorbitant, and which owners and would-be owners of linotypes can well afford to pay. The revenue involved may be small, and the incidence of the tax limited, but there is no reason why such limitation should mean exemption.

Senator PULSFORD (New South Wales).—When this matter was previously before the Chamber, I supported Senator O'Connor for the reason that he was objecting to new taxation, and when he is in that humour it is "good enough" to help him. I shall help Senator O'Connor again to-night by supporting the motion.

Senator FRASER (Victoria).—No revenue would result from a duty on linotypes. I have had to do with the press in some cases, and with the importation of such machinery, and I know that by imposing a duty we should be simply playing into the hands of the proprietors of the big newspapers, who have already supplied themselves with linotypes, and handicapping those who wish to enter the industry. We cannot have too many newspapers in a community like that of Australia. The leading newspapers of this country stand high when compared with those in any part of the world, and there is no doubt that they exercise an educational influence, even when they take sides, seeing that in time the truth must come out.

Senator GLASSEY (Queensland).—This is an item which is fairly open to taxation. The smaller newspaper proprietors are not likely to be handicapped, for the simple reason that they cannot afford linotypes, and the larger proprietors are mostly wealthy, and ought to be called upon to contribute to the revenue. I am not here to dispute the usefulness of newspapers, and I do not quarrel with the opinion expressed by Senator Fraser. We have a very powerful press in Australia, and those proprietors who use linotypes ought to be placed on the same footing as other people who import articles for their own use. The proprietors of such newspapers as the *Melbourne Age*, the *Argus*, or the *Sydney Morning Herald* are too powerful to find fault with politicians who vote for such a duty as that now under discussion. But even if the proprietors do find fault, what is the use of politicians if the latter have not the courage of their

convictions, even with the press against them? I do not think any of the larger newspaper proprietors will have any objection to paying a reasonable tax on any machine they may be called upon to import; and, from a protective point of view, why should not these machines be made in Australia, or, at any rate, encouragement given in that direction to manufacturers of iron and steel? Are we to be everlastingly at the mercy of importers from different parts of the world?

Senator FRASER.—Linotypes will not be made in Australia for the next 200 years.

Senator GLASSEY.—It will not say much for the genius and ability of the people of Australia if they are not able to make such machines long before then.

Senator MILLEN.—Does Senator Glassey shut his eyes to the limited market which Australia affords?

Senator GLASSEY.—I grant there is a limited market, but surely an article like the linotype is not beyond the genius of the people of Australia; and why should we not give encouragement to local manufacturers by imposing reasonable taxation?

Senator STANFORTH SMITH (Western Australia).—There is a great deal in the arguments used by Senator Fraser. There seems to be an opinion that by taxing linotypes we shall injure the large newspaper proprietors, or, at any rate, make them pay a certain amount of duty. I am of the contrary opinion. By allowing linotypes to come in free now we shall assist country newspaper proprietors. On most of the large newspapers in the cities and the country, linotypes are already employed. In Kalgoorlie alone, two, if not three, of the newspapers are produced by means of these machines, the use of which ought to be encouraged in country districts. Under these circumstances, the proposed duty will not affect the wealthy newspaper proprietors, who, in most of the States, have been allowed to import their linotypes free; and the only result will be to place country proprietors in an unfair position. It is absurd to say that linotypes can be manufactured in Australia, because the demand is not sufficient to justify the laying down of the complicated necessary machinery. Up to the present I have not voted for an increase in any duties except on narcotics, spirits, and luxuries, and I certainly shall not vote for a duty in this case.

Senator PULSFORD (New South Wales).—There is an important point to which the Senate should give attention. If these linotypes are struck off the free list, some question will be raised as to under which item they will become chargeable, and in my opinion they will fall under n.e.i. at 20 per cent. To levy a tax equal to at least £100 on a single linotype is absurd, and is a step which I do not think the Senate will favour.

Senator O'CONNOR.—There seems to be some misunderstanding, and I think it necessary to explain how the matter stands. This is not a question of small newspapers or large newspapers; it is simply a question of meting out to men who carry on the newspaper industry the same sort of treatment that is meted out to other persons who use machines which cannot be made in the Commonwealth, and which are used for manufacturing purposes of different kinds. On this ground there is a large list of exemptions, including knitting machinery, log-band saw-mills, machinery for scouring, washing, carding, spinning, weaving, and finishing the manufacture of fibrous materials, machinery for the manufacture of paper, and for felting, printing machinery and presses, and machinery used exclusively for electroplating and stereotyping. All this machinery employs a large number of people, and cannot be manufactured in the Commonwealth. It is of a comparatively simple character compared with the linotype. The linotype is not made here, and it was put on the free list simply because we wished to treat the proprietor of a newspaper business in the same way as a person who carries on any other business. We desire to put the linotype and the monoline in the same position as the ordinary printing press. Is it because the monoline is an expensive and complicated machine that it is to be treated differently from the ordinary printing machines which cannot be made here? That is the position, which I do not wish to elaborate. Although I quite agree that you should not treat the newspaper proprietor or the publisher better than a man who carries on any other business, is that any reason why he should be treated worse than any one else? It is because we think it is a simple act of justice to persons who carry on a printing business that we wish the committee not to adhere to its request.

Question — That the request be not pressed—put. The committee divided.

Ayes	...	...	13
Noes	...	...	11
Majority			2

AYES.

Barrett, J. G.	O'Connor, R. E.
De Largie, H.	Pulsford, E.
Drake, J. G.	Smith, M. S. C.
Fraser, S.	Stewart, J. C.
Gould, A. J.	Styles, J.
Keating, J. H.	Teller.
Millen, E. D.	Ewing, N. K.

NOES.

Baker, Sir R. C.	Pearce, G. F.
Charleston, D. M.	Playford, T.
Clemons, J. S.	Sargood, Sir F. T.
Dawson, A.	Symon, Sir J. H.
Dobson, H.	Teller.
Glassey, T.	Higgs, W. G.

PAIRS.

For.

Against.

O'Keefe, D. J.	Macfarlane, J.
McGregor, G.	Neild, J. C.
Downer, Sir J. W.	Harney, E. A.
Zeal, Sir W. A.	Ferguson, J.
Cameron, C. St. C.	Walker, J. T.
Best, R. W.	Matheson, A. P.

Question so resolved in the affirmative.

Item 79. Rails, fishplates, fishbolts, tie plates, switches, points, crossings, and inter-sections for railways and tramways, *ad valorem*, 15 per cent.

Senate's Request.—That the duty be reduced to 10 per cent.
House of Representatives' Message. — Amendment not made.

Senator O'CONNOR.—I move—
That the request be not pressed.

These articles are not in exactly the same position as the machinery items which have been dealt with. The reasons for the imposition of a 15 per cent. duty have been stated so often that I do not think it is necessary to do more than to say that if there is any protection to be given to the manufacturers of this kind of ironwork, it must be substantial, for the reason that the freight on the articles is exceedingly small under most circumstances. They are carried very largely as ballast—it is the cheapest kind of freight there is. The advantage which Australia gains by its distance from European and American centres of manufacture is not anything like so great in regard to these articles as it is in regard to others upon which the freights are higher. That fact

ought to be taken into consideration. In view of the large amount of capital which is necessary for the laying down of a plant, and the reasonable certainty of a market, which there ought to be, the least we can do is to agree to a duty of 15 per cent. There is no industry which employs, comparatively speaking, so much labour as do the industries which are connected with the manufacture of iron. From the point of view of the competition, the low freight, the number of employés, the necessity for a large capital, I ask my honorable friends opposite whether, for the sake of 5 per cent., it is worth while to insist on the request?

Senator Sir JOSIAH SYMON (South Australia).—It is true that items 79 and 80—the remaining two items in this division on which we requested the other House to reduce the duty from 15 to 10 per cent.—are on a different footing from those which we have dealt with; but they are not on a very much different footing. When we remember that the use of rails, fish-plates, fish-bolts, and the other articles embraced in the item, except by the Government to construct railways and tramways, is by the great mining industry—and timber getting industry, too—it will be seen that it is absolutely essential that they should be treated in exactly the same way as the engines, electrical appliances, and other lines that have been dealt with. To my mind, there is no distinction between the articles. It is not under this item that the encouragement of the production of iron ore and the manufacture of iron is to be given. The Bonus Bill, which has been on the stocks for some time, is the source from which any encouragement is likely to be given to this manufacture. Therefore, it seems to me that, for the sake of the mining industry, the timber-getting industry, and the railways of the Commonwealth, the committee ought to adhere to its request.

Question — That the request be not pressed—put. The committee divided.

Ayes	...	...	10
Noes	...	...	14
Majority			4

AYES.

Baker, Sir R. C.	Playford, T.
Barrett, J. G.	Stewart, J. C.
Drake, J. G.	Styles, J.
Glassey, T.	Teller.
Higgs, W. G.	Keating, J. H.
O'Connor, R. E.	

NOES.

Charleston, D. M.
Clemons, J. S.
Dawson, A.
De Largie, H.
Dobson, H.
Ewing, N. K.
Fraser, S.
Gould, A. J.

Pearce, G. F.
Pulsford, E.
Sargood, Sir F. T.
Smith, M. S. C.
Symon, Sir J. H.

Teller.

Millen, E. D.

PAIRS.

For.

O'Keefe, D. J.
McGregor, G.
Best, R. W.
Zeal, Sir W. A.
Downer, Sir J. W.
Cameron, C. St. C.

Against.

Macfarlane, J.
Neild, J. C.
Matheson, A. P.
Ferguson, J.
Harney, E. A.
Walker, J. T.

Question so resolved in the negative.

Item 80. Rolled iron or steel beams, channels, joists, girders, columns, trough and bridge iron or steel, not drilled or further manufactured; shafting, cold rolled, turned, or planished; also bolts and nuts, *ad valorem*, 15 per cent.

Senate's Request.—That the duty be reduced to 10 per cent.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

As this item stands very much on the same footing as the previous one, I do not think it is necessary to do more than to ask to have the sense of the committee declared on the voices.

Motion negatived.

Item 81. Iron and steel . . . Galvanized and tinned plate and sheet, *ad valorem*, 10 per cent.

Senate's Request.—Add to special exemptions.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

It will be remembered that the Senate requested that this and four other items under the head of "metals and machinery" in Division VIA. should be placed on the free list. I desire very shortly to call the attention of honorable senators to the position in which the matter stands. Division VIA, as honorable senators will remember, is headed in this way:—

To come into operation on dates to be fixed by proclamation, and exempt from duty in the meantime, except as to iron galvanized, plate and sheet. Proclamation to issue so soon as it is certified by the Minister that the manufacture to which the proclamation refers has been sufficiently established in the Commonwealth, according to the provisions of any law relating to bonuses for the encouragement of manufactures or to the establishment of manufactures under the direct control of the Commonwealth or States

Governments, but no proclamation to issue except in pursuance of a joint address passed on the motion of Ministers by both Houses of Parliament, stating that such manufacture is sufficiently established.

The effect and purpose of this introductory paragraph is to impose certain duties on the articles which are mentioned in the division, after the expiration of the period during which the industries affected will be assisted by a bonus. The only exception to freedom from duty during the interval is iron galvanized, plate and sheet, as to which we have already agreed to a duty of 15s. per ton. The Senate dealt with this matter in what appeared to me to be a way that would create a great deal of anomaly. When they dealt with the first line in the item, which is certainly the most important, and the one in regard to which there would be the largest expenditure of money—that is, say, the line dealing with scrap-iron and steel, and pig-iron—they passed it. Ingots, blooms, bar, rod, angle, tee, sheet, and plate iron were also passed as subject to a duty of 10 per cent., *ad valorem*, when the bonus period has expired. The Senate then went on to deal with galvanized and tinned plate and sheet iron, when for some extraordinary reason a suggestion was carried that these goods should be put on the free list. Wire netting was also to be put upon the free list. Then iron and steel pipes and tubes not dutiable under Division VII. were left at 10 per cent., and spelter was put upon the free list. So that the only result seems to be that the Senate has adopted the view that there should be a duty as soon as the bonuses have ceased, but that that duty should apply only to the manufacture of iron and of iron and steel pipes and tubes not dutiable under Division VI. I think the comment is obvious that there is no reason whatever why the different kinds of iron, the manufacture of which is to be established by means of bonuses, should be treated differently. There is a reason which appears to me to be unanswerable why the Senate should not persist in its requests with regard to these articles. We are all agreed that one of the greatest benefits which we could confer upon the whole of Australia by legislation would be the bringing about of the establishment on a firm footing of the iron industry. It would be of great benefit to the country, not only in regard to the production of iron, and not only in regard to work which it would give to the men employed in it, but also on account

of the numerous ancillary trades that always attach themselves to the iron industry. It is proposed in the Government scheme that there shall be bonuses extending over a series of years, and that when that period is complete the protection shall be continued in the form of these duties. If our bonuses are to be of any value they must be taken as part of a system which is not to endure for a few years only, but which will enable persons to embark their capital with some amount of certainty that their industry will be protected, and that the home market will be guaranteed to them for a certain number of years. We cannot interfere with the duties in accordance with the suggestions of the Senate without neutralizing to a very large extent the whole value of the principle of bonuses which the Government will seek to bring into operation. Under the circumstances it is not necessary to add anything to what I have said. I trust the committee will see its way not to press the suggestions which have been made in regard to these matters.

Senator Sir JOSIAH SYMON (South Australia).—I feel quite sorry after the picturesque description of this great iron industry which has been given by Senator O'Connor to think that there is very little likelihood of it being established under cover of the chaotic provisions of the Bonus Bill which has been mentioned. I do not think that we shall ever see that Bonus Bill.

Senator O'CONNOR.—I do.

Senator Sir JOSIAH SYMON.—I do not think that any one here expects to see it—this session, at all events.

Senator O'CONNOR.—Very soon it will be on the statute-book.

Senator Sir JOSIAH SYMON.—This is not a place for making wagers, but I do not think that my honorable and learned friend would be prepared to back the Bonus Bill for a very large amount. But, in the spirit of concession which we have manifested throughout, and in order to meet the views not only of my honorable and learned friend, but of others who think that there is the slightest probability of these provisions aiding in any degree in the encouragement and establishment of the iron industry in Australia, I propose not to press the requests with regard to item 81. At the same time, I cannot allow the occasion to pass without entering my protest against

the silliest form of all legislation, namely, that introduced with a view to the imposition of duties to come into operation some years hence. There is no worse form of legislation in the world than what is called prophetic legislation. It is of no earthly value in this case. Parliament may alter or repeal this legislation at any time. In the next place the proposal is for the imposition of a tax which, if it is to take effect at all, should take effect at once. As honorable senators will see, these impositions will only come into effect first of all upon the passing of the Bonus Bill, and in the second place on a joint address of both Houses of the Parliament. That being so we shall have an opportunity when that joint address comes before the Senate of voting against the imposition of these provisions. It is scarcely worth while to treat what is merely an abstract debating question as one possessing any reality, and therefore I do not propose to press the suggestions.

Senator CLEMONS (Tasmania).—I do not propose to speak at any length on this subject, but I want to say a word in regard to the principle which is involved in the proposed Bonus Bill. While I could conceive it possible that I might vote for a Bonus Bill for the purpose of granting subsidies to an industry, which subsidies would be definite in their amount and limited to a term of years, I shall never vote for a Bonus Bill that is coupled with protection. I regard that form of protection as being the worst of all forms. It is a sort of double-barrelled protection, of which the bonus may be called the smooth bore, and the protective duty the choke-bore. If the Bonus Bill comes before the Senate I shall be unable to vote for it, although I could conceive it possible, if it were not encumbered with these protective duties, that I could vote for a Bonus Bill pure and simple. We are now going to ratify the action of the other House, but that ratification must not be taken as pledging our support to the Bonus Bill in any shape or form if it comes before us. I feel impelled to say so much, because I have said, I believe, in this Chamber that I could conceive it possible that I could vote for a Bonus Bill, but I never intended to vote for a Bonus Bill cum protection. I can only hope that the Bonus Bill will not reach this Chamber.

Motion agreed to.

Item 81. Iron and Steel
Machinery, machines, and parts—Reapers and
binders, *ad valorem*, 15 per cent.; Other machinery,
machines, or parts referred to in proclamation,
ad valorem, 15 per cent.; Wire netting, *ad*
valorem, 10 per cent.; Spelter, *ad valorem*, 10 per
cent.

Senate's Request.—To make the lines duty free.
House of Representatives' Message.—Amend-
ments not made.

Motion (by Senator O'CONNOR) agreed
to—

That the requests be not pressed.

Item 84. Oils.—Solar oil, residual oil, naphtha,
benzine, benzoline, gasoline, per gallon, ½d.

Senate's Request.—Add to special exemptions,
“Solar oil, residual oil.”

House of Representatives' Message.—Amendment
not made.

Motion (by Senator O'CONNOR) put—

That the request be not pressed.

The committee divided.

Ayes	...	...	...	3
Noes	...	...	...	21
				—
Majority	...	...	...	19

AYES.

Drake, J. G.	Teller.
O'Connor, R. E.	Keating, J. H.

NOES.

Baker, Sir R. C.	McGregor, G.
Barrett, J. G.	Millen, E. D.
Charleston, D. M.	Playford, T.
Clemons, J. S.	Pulsford, E.
Dawson, A.	Sargood, Sir F. T.
De Largie, H.	Smith, M. S. C.
Dobson, H.	Stewart, J. C.
Ewing, N. K.	Styles, J.
Glassey, T.	Symon, Sir J. H.
Gould, A. J.	Teller.
Higgs, W. G.	Pearce, G. F.

PAIRS.

For.	Against.
Zeal, Sir W. A.	Ferguson, J.
O'Keefe, D. J.	Macfarlane, J.
Best, R. W.	Matheson, A. P.
Downer, Sir J. W.	Harney, E. A.
Cameron, C. St. C.	Walker, J. T.

Question so resolved in the negative.
Motion negatived.

Item 87. Cement (Portland), plaster of Paris
per cwt., 9d.

Senate's Request.—That the duty be reduced to
6d.

House of Representatives' Message.—Amend-
ment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

It will be remembered that this duty was
originally fixed at 1s. per cwt., but that it
was reduced to 9d. before the Tariff reached

this Chamber. The Senate then requested
that it should be further reduced to 6d.
When this item was discussed on a previous
occasion, it was pointed out that cement
was brought out from Europe so cheaply,
particularly in sailing vessels, which car-
ried large quantities of it practically a-
ballast, and that it was contracted for
in such a way in Germany that, in
conjunction with the cheap, subsidized Ger-
man freights, it could be landed here for
almost next to nothing. It was further
urged that a substantial duty ought to be
imposed, in order to afford some real protec-
tion to our local manufacturers. I hope,
therefore, that honorable senators will re-
cognise that the amount of protection which
ought to be afforded cannot be judged en-
tirely from the percentage of the duty. The
whole circumstances have to be considered,
and if there was ever an occasion on which
it was necessary to protect our manufac-
turers against the competition of the sub-
sidised French and German industries, this
is one. The extent to which the German
steamers are subsidized tends to reduce the
freight to almost nothing, and unless we
impose a fair duty, our local manufacturers
will have no protection against the intro-
duction of cement in such large quantities
as will disturb the local market. The local
cement works cannot be carried on without
the expenditure of a large amount of
capital, and the employment of extensive
plant, and success cannot be achieved un-
less a certain local market is assured. The
cement manufacturing industry already
flourishes in many parts of Australia, and
there is no reason why it should not be
successfully carried on in Tasmania and
other places which possess every facility for
the production of the article. This, there-
fore, is a case in which it would be well for
us to impose a duty, not only in the inte-
rests of agreement between the two Houses,
but also in order to assist a legitimate and
important industry.

Senator Sir JOSIAH SYMON (South
Australia).—I should be very glad if it
were possible to adopt the course proposed
by my honorable friend, but he seems to
have overlooked the interests of the con-
sumers of cement. In the first place a
duty of 6d. per cwt. is equivalent to
33½ per cent. on the value of the article,
which is worth in Germany about 6s. per
cask of 3½ to 4 cwt. Thirty-three and a
third per cent. is a very high duty to

impose upon an article which is so largely used in water conservation works, in railway construction and mining operations, on farms, in gardens, for making troughing, for constructing dams, and for an endless variety of other purposes.

Senator PLAYFORD.—I use it myself, but I am quite willing to pay the extra price.

Senator Sir JOSIAH SYMON.—The honorable senator is willing to pay the extra price because he can afford it, but there are others who are not able to pay. I should be willing to pay the extra cost, but I do not see why I should be called upon to do so. Cement, which is very good for some purposes, but not so good as imported cement for other purposes, is manufactured in South Australia, and surely if we impose a duty of 33½ per cent. that is as much as anyone could fairly ask for. Reference has been made to the subsidies granted to German steamers, which enable them to bring cement here at low freights. I understand that the British Government has decided that the P. and O. and other lines of steamers shall be subsidized, so that in future there will be no difference between the advantages enjoyed by German manufacturers of cement and those in England.

Senator O'CONNOR.—There has been some talk about giving subsidies to British steamers, but they have not yet been granted.

Senator Sir JOSIAH SYMON.—Yes, it has actually been decided to grant them. Therefore we cannot use the fact that German steamers are subsidized as a special reason for changing the aspect of our Tariff in respect to cement, which is brought here at low rates of freight. In addition to the 33½ per cent. duty there will be the freight, import charges, and all the elements which go to make up what we call natural protection, and I do not think we are called upon to impose any higher duty than that suggested.

Senator BARRETT (Victoria).—I hope Senator Symon will re-consider his decision. The discussion we had on a previous occasion showed conclusively that unless the duty upon cement were retained at 9d. per cwt. the local manufacture of the article must be wiped out. The whole of the cement makers of Australia—The South Australian Portland Cement Company, Adelaide; Messrs. Goodlet and Smith, Sydney; The Commonwealth Portland Cement Company, Portland, New South

Wales; James Campbell and Sons, Brisbane; The Australian Portland Cement Company, Proprietary, Limited, Geelong, and the Victorian Portland Cement Company, Melbourne—agree that a duty of 9d. is necessary in order to enable them to carry on the industry. When this question was previously discussed some doubt was expressed as to whether Goodlet and Smith, and the Commonwealth Company of New South Wales, were in favour of the retention of the duty of 9d. per cwt. Since then evidence has been presented showing that they are, and if it were necessary I could read certain documents in proof of my statement. A day or two ago I had a petition signed by all the cement makers I have named in favour of the retention of the duty, but owing to an informality I was unable to present it, and there was not sufficient time to enable me to have the informality corrected so that the petition might be presented before the consideration of this item. I would remind Senator Symon that the Australian cement makers, as compared with the German manufacturers are severely handicapped in regard to the rates of wages and hours of labour. Recent tenders were invited by the Melbourne and Metropolitan Board of Works for the supply of a very large quantity of cement. It was open to colonial and German manufacturers to compete, and notwithstanding the higher wages paid in the industry in Australia, and the fact that the men here are employed for only 48 hours a week, as compared with 70 hours a week in Germany, the local manufacturers were only 1d. per cask above the German tender. The German tender was accepted.

Senator Sir FREDERICK SARGOOD.—For a portion of the supply.

Senator BARRETT. — Senator Symon will see at once the way in which our local manufacturers are handicapped. I should also point out that immediately after the committee decided to request another place to reduce the duty to 6d. per cwt., a cement factory at Geelong shut down. I do not say that the decision arrived at by us was entirely responsible for the closing of the works, but it was certainly one of the determining factors. In these circumstances Senator Symon and his supporters should not press the request. Those who ask for the retention of the duty have made out a good case. They have shown conclusively

that the local manufacturers cannot compete with the German cement makers, who work under specially favourable conditions, and it is simply a question of whether we shall allow cement to be manufactured in Australia or imported from abroad. I trust that the request will not be pressed.

Senator Sir JOSIAH SYMON (South Australia).—As Senator Barrett has invited my attention to certain figures, I should like to mention to him that the duty of 6d. per cent. proposed by us is exactly that which prevailed under the South Australian Tariff.

Senator PLAYFORD.—The duty in South Australia was over 7d. per cwt.

Senator Sir JOSIAH SYMON.—Was it really one penny more? Assuming that there is from $3\frac{1}{2}$ cwt. to 4 cwt. in a barrel the duty amounts to 2s. per barrel. Even taking it that the duty was 7d. per cwt., surely it cannot be said that an injustice would be done by fixing the rate at 6d.? In Queensland the duty was 2s. per barrel, and in Victoria it was 1s. per cwt.—a most monstrous duty. In Western Australia and New Zealand the duty is also 2s. per barrel. We have adopted what was substantially a uniform duty in three of the States of the Federation and that which prevails in New Zealand. As to the disadvantages under which the local producer labours, may I say that there is a wharfage of 5s. per ton on the imported cement, which is equal to 1s. per cask. Then the local maker in South Australia, at all events, effects a saving by using bags instead of the casks which exporters have to employ when they ship cement from Europe. Although the freight in certain cases is small, there is always some freight payable upon cement. I am not aware that even the subsidized steamers have been in the habit of carrying cement merely for the satisfaction of the producer or importer. I also find that imported cement can be sold, even with a duty of 9d. per cwt., at from 10s. to 11s. per cask. That being so, the advantage which the consumer must enjoy is obvious. Looking at the price which the local man obtains—and which I believe is about 11s. 5d. per cask—we find that he is nearly able to sell at the same rate as does the importer. So far as I can see, the advantages, in addition to the duty, are altogether on the side of the local cement maker. The duty which we propose would amount to $33\frac{1}{3}$ per cent.,

and the consumer, instead of labouring under the disadvantage which he would otherwise have to suffer, will be able to get cement at this cheap rate.

Senator STYLES (Victoria).—I think that Senator Symon's figures are not quite accurate. The duty in Victoria was 3s. 4½d. per cask, and six casks go to the ton. Now a duty of 6d. per cwt. is proposed, and we are told that that is equal to 2s. per cask. The honorable and learned senator will find, however, that it is equal to only 1s. 8½d. per cask. There is another aspect to this question which has not yet been touched upon, and that is the price at which cement was selling before and after the establishment of the local works.

Senator Sir JOSIAH SYMON.—What has that to do with the question?

Senator STYLES.—It has everything to do with the man who buys cement. I purchased 20,000 casks of imported cement in Adelaide, and the lowest price at which I could obtain it was 18s. per cask. Here we are making cement, and selling it for 10s. and 11s. per cask, and the imported article can now be purchased at about the same rate. Senator Symon has said that the reduced duty would be equal to $33\frac{1}{3}$ per cent. Taking his own figures, it would be only 28 per cent. But surely he has not adopted the proper method by which to arrive at the true percentage. We must estimate the duty, not on the value of the cement in Germany, but on the value delivered here. Is there not 10 per cent. added to the value at the port of shipment? There are also various other charges which reduce the percentage to something like 24 or 25 per cent., instead of $33\frac{1}{3}$ per cent.

Senator Sir JOSIAH SYMON.—No; it is nearer $33\frac{1}{3}$ per cent., and my figures are correct.

Senator STYLES.—With due respect to the honorable and learned senator, I assert that they are not. I have purchased many thousands of casks, and paid duty upon them, so that I ought to know something about the question. I was a member of the Melbourne and Metropolitan Board of Works for many years, and, as chairman of the sewerage committee, I was in an admirable position to judge of the merits of the local and imported article. Time after time tests were made of British and German cements—and, I believe, Italian cements—with the result that it was found

that our local cement compared very favorably with them. Like other honorable senators, I have no personal interest in this matter, but it seems to me that it will be a great pity, when the duty does not increase the price, if we do not fix a rate which will enable our local manufacturers to continue their operations. If the local manufacturers can carry on with a duty of 9d. per cwt. they will always be able to act as a check upon the importers. Directly the importer attempts to charge an extortionate price, the local manufacturer checks him; if the local manufacturer attempts to impose an extortionate price, the importer is able to check him. That would continue to be the case if the duty were allowed to remain.

Senator BARRETT (Victoria).—I wish to produce some further evidence showing conclusively that, in order to obtain possession of the market, the German manufacturers have been losing money in connexion with the Melbourne and Metropolitan Board of Works tenders. When this item was previously discussed, Senator Pulsford gave us certain figures showing the cost of importing cement, and if those figures are correct—and I believe that they are—they show that the German and English importers, whose tenders have recently been accepted by the Melbourne and Metropolitan Board of Works, are selling at a loss. The honorable senator quoted an interesting letter from Messrs. J. Barre Johnston and Co.—which he said was a well known and reputable company in Sydney—giving the cost of importing the best brands of English or German cements, as follows:—Cement, per cask, f.o.b., 6s.; freight per sailer (present rate), 2s. 8d.; insurance, 1½d.; exchange, 90 days at 4 per cent., and stamps, 4½d.; wharfage at Sydney, 5d.; receiving into and delivery ex store, 2½d. or 3d., say 2¾d.; rent for storage, from 3d. to 4d. per cask, 3½d.; duty 9d. per cwt., 2s. 6½d.; making a total cost without profit to the importer of 12s. 7½d. These are the figures of Senator Pulsford himself, and, as against them, I wish the committee particularly to note the price at which tenders were recently accepted for the supply of cement by the Melbourne and Metropolitan Board of Works. Upon Tuesday, 20th May last, the board accepted a contract for the supply of 5,000 casks of German cement at 10s. 11d. per cask, although, according to Senator Pulsford's own statement, it costs the

importer 12s. 7½d. per cask to import it, and that without securing any profit. Again, in the *Age* of 16th May, and the *Argus* of 16th July, I find that other tenders were accepted for supplies of German cement at 12s. 4½d. per cask. The committee will therefore see that the contracts recently made must, so far as the German manufacturers are concerned, have resulted in a loss. Under these circumstances, how is it possible for the Australian manufacturers to compete? I hold in my hand a document which states that it is impossible for the Portland Cement Company in South Australia to compete with foreign manufacturers unless they obtain the benefit of a duty of 9d. per cwt. With these facts before us, we ought not to agree to a reduction of the impost to 6d. per cwt.

Question—That the request be not pressed—put. The committee divided.

Ayes	...	...	...	12
Noes	...	...	...	12
				—
Majority	...	...	...	0

AYES.

Barrett, J. G.	O'Connor, R. E.
Dawson, A.	Playford, T.
Drake, J. G.	Stewart, J. C.
Glassey, T.	Styles, J.
Higgs, W. G.	
Keating, J. H.	<i>Teller.</i>
McGregor, G.	De Largie, H.

NOES.

Baker, Sir R. C.	Pulsford, E.
Charleston, D. M.	Sargood, Sir F. T.
Clemons, J. S.	Smith, M. S. C.
Dobson, H.	Symon, Sir J. H.
Ewing, N. K.	
Gould, A. J.	<i>Teller.</i>
Pearce, G. F.	Millen, E. D.

PAIRS.

For.	Against.
O'Keefe, D. J.	Macfarlane, J.
Best, R. W.	Matheson, A. P.
Downer, Sir J. W.	Harney, E. A.
Cameron, C. St. C.	Walker, J. T.
Zeal, Sir W. A.	Ferguson, J.

Question so resolved in the negative.

Item 114. Jewellery—Special exemption . . .
"Cameos and precious stones, unset."

Senate's Request.—Make dutiable as jewellery at 25 per cent.

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) proposed—

That the request be not pressed.

Senator BARRETT (Victoria). — My views upon this question are the same as when I moved to make these articles dutiable at 25 per cent. I recognise that by adopting that course difficulties will arise at the Custom-house, but I hold that those difficulties are equally applicable to almost every other article. However, the sense of the committee is evidently against the proposal to make these goods dutiable, and therefore I do not intend to persevere with it.

Motion agreed to.

Item 116. Boots and shoes
Men's sizes above 5, *ad valorem*, 30 per cent.

Senate's Request.—That the duty be reduced to 20 per cent.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

This is one of the items in regard to which I hope the Senate will abandon the position which it has taken up, if only for the purpose of bringing about something like symmetry in the division. It will be remembered that the duty upon men's sizes above 5, which was the first of some half-dozen items under the heading of "boots and shoes," was reduced to 20 per cent., whilst the others were allowed to remain at 30 per cent. The Senate ought not to insist upon its request, because it is obvious that its effect must be to render the administration of this portion of the Tariff very difficult. It would be necessary, in such a case, for every box of boots imported to be examined in order to ascertain whether it contained men's sizes or other sizes. There is no reason why, in regard to this line, a different rate should obtain from that which operates in the case of other classes of boots.

Senator Sir JOSIAH SYMON (South Australia).—Certainly this is an unfortunate illustration of the possibility of anomalies that may arise in the administration of the Tariff. There is no doubt whatever that the request made by the Senate was the first of a series of others which were not carried, and which dealt with the whole set of items under the heading of "boots and shoes." It does seem a little peculiar that this item should have been reduced to 20 per cent., whilst the balance were allowed to remain at the extravagant rate of 30 per cent., especially as this line is the one above all others, which is most likely

to be manufactured locally. That being the case, it is a fair subject upon which to meet the House of Representatives, and in order to bring the duty into harmony with that imposed upon other items under this heading, I do not propose to ask the committee to press the request.

Motion agreed to.

Item 126.—Vehicles, viz., "Hansom cabs, also single or double-seated waggons, waggonette and four-wheeled buggies, *ad valorem*, 25 per cent."

Senate's Request.—That the duty be reduced to 20 per cent.

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) proposed—

That the request be not pressed.

Senator Sir JOSIAH SYMON (South Australia).—I hope that the spirit in which the Senate is prepared to meet the House of Representatives in connexion with this matter will be appreciated when the other requests for which we have pressed are being reconsidered.

Motion agreed to.

Item 126. Vehicles, viz.:—Tilburys, dog-carts, gigs, Boston chaises, sulkies, and other two-wheeled vehicles on springs or thorough braces, *ad valorem*, 25 per cent; all parts thereof, viz., wheels, tires, and bolted bodies, undergears, undercarriages and tops, *ad valorem*, 25 per cent.

Senate's Request.—That the duties be reduced to 20 per cent.

House of Representatives' Message.—Amendments not made.

Motion (by Senator O'CONNOR) agreed to—

That the requests be not pressed.

Item 132. Brushware.

Senate's Request.—That the following new line be added, viz., "Painters and paper-hangers' brushes, *ad valorem*, 20 per cent."

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

It will be remembered that there was a long discussion, particularly on the item of painters' and paperhangers' brushes. It was proposed that the whole line should be dutiable at 25 per cent., and the Senate requested that a special line should be made, including painters' and paperhangers' brushes, and that the duty should be reduced to 20 per cent. I need not repeat the arguments which were used before, but the position really is that if we reduce the duty upon painters' and paperhangers'

brushes from 25 to 20 per cent., we shall be taking away the most substantial and the most profitable part of the business, while we shall be adding to the difficulties of administration. On the ground, therefore, of simplicity of administration, and on the ground of a fair protection to every branch of the business, I ask the committee not to press the request. If there was any reason, from the point of view of the workmen or consumers, for a reduction of the duty, I could understand the proposal made. But the fact is that the workman can get his brushes actually at the same price, and there seems to be no reason for the reduction of the duty.

Senator CHARLESTON.—The painters do not say that.

Senator O'CONNOR.—I beg the honorable senator's pardon. On the last occasion when the matter was discussed here, a letter was read from the Painters and Paperhangers' Association, stating that they were quite satisfied that the duty of 25 per cent. proposed would not affect them prejudicially, and that the quality of the brushes locally made was equal to, and in many cases superior to, that of imported brushes. Is it really only for the purpose of carrying out a free-trade doctrine in the abstract, that the Senate's request should be insisted upon? I can tell Senator Charleston that if the advantage of the workmen engaged in the trade is to be his guide, he will satisfy them best by adhering to the duty as introduced in the Senate.

Senator CHARLESTON (South Australia).—When I interjected that the painters did not hold the views which the honorable and learned senator was expressing, I spoke from information given to me by painters in Adelaide. I met more than one of them, and they complained of the high price of brushes, and of the heavy duty imposed upon them.

Motion agreed to.

Item 132. Brushware, viz., n.e.i., including brooms, mops, crumb trays and brushes, *ad valorem*, 25 per cent.

Senate's Request.—That the duty be reduced to 20 per cent.

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) proposed—

That the request be not pressed.

Senator Sir JOSIAH SYMON (South Australia).—I do not propose that we

should press this request, because a difference of 5 per cent. upon a line like brushware would make very little difference to the consumer. If the reduction of duty at first requested had been considerable, I should have thought it necessary to press the matter. I personally think that a duty of 25 per cent. upon brushware is extortionate. I am informed upon good authority that there is a brush factory in Victoria employing comparatively few people, and yet it can produce sufficient brushes to supply Victoria and a good deal for export. Of course, it is always said that an opportunity is given to employ the blind in the manufacture of brushware, and it is held that it is reasonable to impose a duty to encourage their employment. This is another item upon which we have an opportunity of making an approach in the way of concession to the other Chamber.

Motion agreed to.

Item 134. Cordage and twines, n.e.i. Special exemption, "Cordage, viz., unserviceable."

Senate's Request.—That the words "used for paper-making" be added.

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) agreed to—

That the request be not pressed.

Item 136. Explosives, viz., Ammunition and cartridges, n.e.i., free.

Senate's Request.—That the duty be 10 per cent.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

This is but a small matter. Honorable senators will, perhaps, remember that I moved the motion making the request myself. Upon fuller inquiry and information, I find it was a mistake. When I come to look at the number of items we have dealt with, I am only astonished that I have not made more mistakes.

Senator CLEMONS (Tasmania).—It is all very well for the Vice-President of the Executive Council to tell us that in moving this request he made a mistake. But from my point of view, and from the point of view, I hope, of a majority of the committee, it is his present motion which is a mistake. I do not desire to draw too much attention to the honorable and learned senator's change of front, but several reasons may be given to show that his original

attitude was the correct one. Honorable senators will remember that there is a heavy duty upon shot, and when we discussed that duty it was pointed out that it was a mistake to have ammunition and cartridges free. It was admitted that one of two things must be done, either that we should take the duty off shot, or should impose a duty on ammunition and cartridges. Every protectionist agreed that it was obviously absurd to have a duty upon shot and allow shot contained in cartridges to be admitted free. To rectify the error, the Vice-President of the Executive Council very properly said that a duty of 10 per cent. should be imposed upon shot contained in cartridges. The honorable and learned senator said that it was a glaring error in the Tariff, but the error will be still more glaring if, with our eyes open, we do not press our request. There is no reason why ammunition and cartridges which are used by people who can well afford to pay something to the revenue should not be made dutiable at 10 per cent. I hope, therefore, that the committee will press the request.

Question — That the request be not pressed—put. The committee divided.

Ayes	...	...	...	5
Noes	...	...	...	20
Majority	...	...	...	15

AYES.

Baker, Sir R. C.

Drake, J. G.

O'Connor, R. E.

Stewart, J. C.

Teller.

Keating, J. H.

NOES.

Barrett, J. G.

Charleston, D. M.

Clemons, J. S.

Dawson, A.

De Largie, H.

Dobson, H.

Glassey, T.

Gould, A. J.

Higgs, W. G.

McGregor, G.

Millen, E. D.

O'Keefe, D. J.

Pearce, G. F.

Playford, T.

Pulsford, E.

Sargood, Sir F. T.

Smith, M. S. C.

Styles, J.

Symon, Sir J. H.

Teller.

Ewing, N. K.

PAIRS.

For.

Best, R. W.

Downer, Sir J. W.

Cameron, C. St. C.

Zeal, Sir W. A.

Against.

Matheson, A. P.

Harney, E. A.

Walker, J. T.

Ferguson, J.

Question so resolved in the negative.

Item 136. Explosives, viz., sporting powder, free.

Senate's Request.—That the line be made dutiable at 10 per cent.

House of Representatives' Message. — Amendment not made.

Senator Clemons.

Senator O'CONNOR.—I move—

That the request be not pressed.

This item stands in the same position as that with which we have just dealt. When the matter was last before the Senate, the reason given for making cartridges free, was that a large number of persons living in the country used them as a means of gaining their livelihood, or for the purpose of destroying vermin. It was thought that for such people ammunition should be made as cheap as possible, and other exemptions have been made on similar grounds. Another element is that this item includes the raw material of the local cartridge manufacturer.

Senator Sir FREDERICK SARGOOD.—So is shot the raw material of the local manufacturer.

Senator O'CONNOR.—Of course ; and I pointed out that there was an anomaly which might have been remedied ; but a proposal to impose a duty was not carried, and we cannot go back to that matter now. Powder is the raw material of the cartridge maker, and from his point of view, and also from the point of view of the man who principally uses cartridges, this duty ought not to be imposed.

Senator CLEMONS (Tasmania).—I shall call for a division on this item for precisely the same reason which actuated me in regard to the last item. Senator O'Connor says that if the Senate insists on its amendment we shall be destroying protection; but it must be remembered that the margin we propose is precisely the same as that suggested by the Government.

Question — That the request be not pressed—put. The committee divided.

Ayes	...	...	...	12
Noes	...	...	...	11
Majority	...	...	...	1

AYES.

Baker, Sir R. C.

Barrett, J. G.

Dawson, A.

De Largie, H.

Drake, J. G.

Higgs, W. G.

Keating, J. H.

O'Connor, R. E.

Playford, T.

Stewart, J. C.

Styles, J.

Teller.

Smith, M. S. C.

Charleston, D. M.	Pearce, G. F.
Clemons, J. S.	Pulsford, E.
Dobson, H.	Sargood, Sir F. T.
Glassey, T.	Symon, Sir J. H.
Gould, A. J.	Teller.
Millen, E. D.	Ewing, N. K.

PAIRS.

For.

McGregor, G.
O'Keefe, D. J.
Best, R. W.
Downer, Sir J.
Cameron, C. St. C.
Zeal, Sir W.

Against.

Neild, J. C.
Macfarlane, J.
Matheson, A. P.
Harney, E. A.
Walker, J. T.
Ferguson, J.

Question so resolved in the affirmative.

Special Exemptions (Miscellaneous).—"Articles imported by and for the official use of the Governor-General or State Governor."

Senate's Request.—That the special exemption be omitted

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) proposed—

That the request be not pressed.

Senator PLAYFORD (South Australia).

—I voted in favour of striking out this special exemption, and I shall do so again. My experience is that there is no more vicious principle than allowing any Governor to import goods duty free. In my own State of South Australia most disagreeable rumours were often spread abroad when a Governor had left. It was said that Governors imported quantities of highly dutiable articles such as wines and cigars, and that, at the expiration of their term, they were distributed amongst their rich friends, who thus enjoyed them duty free. It is much better that anything of that sort should be prevented. Only the other day we heard of a quantity of champagne, which, I suppose, had not paid duty, being distributed amongst the poor people of Melbourne, with the result that much of it found its way into the possession of publicans, who sold it. It is a great mistake to allow any dutiable articles to come in free, whether for a State Governor or a Commonwealth Governor. It may be possible for an exceedingly careful head officer of the Customs department to prevent abuse, but there is always danger of laxity. The Senate should adhere to its previous decision.

Senator GLASSEY (Queensland).—We have no desire to reflect on the other House for the course which it has adopted, but a special exemption, under the circumstances, is absolutely wrong and unfair. The very poorest people in the community have to pay taxation on the articles which they use, and the same should be done by a Governor-General, who receives what is, at any rate, a fair salary. A great deal of revenue may not be involved, but this is a matter of principle.

Senator HIGGS (Queensland).—I very much regret that this item has come up for discussion at a late hour, when honorable senators are anxious to get away to their homes. I apprehend that the trouble is not because of any difference of opinion as to whether the Governor-General or a State Governor should pay customs duty on an article, but because the members of the other House think that the Senate has no right to request any alteration in a Bill which would impose an additional charge upon the people. I heard the debate in that House upon our request that the linotypes should be taxed, and, from an interjection which was then made, I feel certain that it was opposed because certain honorable members thought that it had no right to be made, on account of this provision in section 53 of the Constitution Act—

The Senate may not amend any proposed law so as to increase any proposed charge or burden on the people.

I take it that we have the power to request an alteration of this item under the next paragraph of the section, which says—

The Senate may at any stage return to the House of Representatives any proposed law which the Senate may not amend, requesting, by message, the omission or amendment of any items or provisions therein.

An "amendment" may mean that a charge is increased or decreased. We may request that a duty be increased or decreased or abolished. Supposing that if, at any time, a free-trade majority in the other House should send up a low Tariff, would not a protectionist majority in the Senate have the power to request that an amendment be made so as to increase a proposed duty? If the contention of honorable members in another place is sound, we should have no power to make any such request. I should like to see this question fought out, not upon the arguments which can be offered against the Governor-General importing articles duty free, but upon our right to make a request for the increase of a duty. I agree with what Senator Playford said in regard to the habits of some State Governors. He spoke of wines which had been imported duty free being sent to the unemployed, and then being sold to various persons. In Queensland a Governor sent a considerable quantity of various kinds of wine—from champagne downwards—to an auction room to be sold, and they brought a larger price than he was entitled to

get, because he had paid no import duties.

Question — That the request be not pressed—put. The committee divided.

Ayes	8
Noes	15

Majority	7
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AYES.

Drake, J. G.	Sargood, Sir F. T.
Ewing, N. K.	Smith, M. S. C.
Gould, A. J.	
Millen, E. D.	Teller.
O'Connor, R. E.	Keating, J. H.

NOES.

Baker, Sir R. C.	McGregor, G.
Barrett, J. G.	Pearce, G. F.
Charleston, D. M.	Playford, T.
Dawson, A.	Pulsford, E.
De Largie, H.	Stewart, J. C.
Dobson, H.	Styles, J.
Glassey, T.	Teller.
Higgs, W. G.	Clemons, J. S.

PAIRS.

<i>For.</i>	<i>Against.</i>
O'Keefe, D. J.	Macfarlane, J.
Downer, Sir J. W.	Harney, E. A.
Best, R. W.	Matheson, A. P.
Zeal, Sir W. A.	Ferguson, J.
Cameron, C. St. C.	Walker, J. T.

Question so resolved in the negative.

Special Exemptions. — (Miscellaneous)— Surgical and dental instruments.

Senate's Request.—That the word "optical" be inserted after the word "surgical."

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

It will be remembered that this request was made in order to make sure that the instruments used for dealing surgically with the eyes should be included in the item. On a more careful consideration it appears that the use of the word "optical" might include spectacles and other articles of that kind which it was never intended to exempt. All the instruments for operating on the eye are certainly covered by the word "surgical," and the introduction of the word "optical" might make duty free articles which were not intended to be put on the free list.

Motion agreed to.

Item 137. Photographic dry plates, sensitized films and paper, *ad valorem*, 15 per cent.

Senate's Request.—That sensitized films and paper be added to the special exemptions.

House of Representatives' Message.—Amendment not made.

Senator O'CONNOR.—I move—

That the request be not pressed.

As regards our two requests for the amendment of this item, the other House agreed to exempt prepared plates for engravers and photographers, but did not agree to place sensitized films and paper on the free list. I assented to the request to make the latter articles duty free, acting upon information which was before the department at the time that sensitized films were not made in Australia. But we have since ascertained beyond all question that these films are being made extensively in Victoria, New South Wales, and elsewhere; and that a considerable number of persons are employed and extensive plant has been erected in connexion with their production. They are being produced in a very satisfactory way.

Motion agreed to.

Motion (by Senator O'CONNOR) agreed to—

That the modification of the date from which the amendments made come into effect be agreed to.

Senator O'CONNOR.—Before we report progress, perhaps I may be allowed to say, that as we have now gone through the message it will be necessary to send a message back to the House of Representatives. I propose to-morrow morning, in moving the adoption of the report, to state fully what the terms of the message will be. Under ordinary circumstances the duty of framing the message would be left to the President and the officers of the Senate, but we think that under the special circumstances it is desirable that the Senate should know as nearly as possible the terms of the message. As it will be necessary for the officers to prepare the document, and to give them time to consider it, and also to afford time for the President to confer with them concerning it, I intend to move that we meet to-morrow at half-past eleven o'clock, instead of half-past ten.

Senator Sir JOSIAH SYMON (South Australia).—In reference to what my honorable and learned friend has said, perhaps he would add an intimation as to the business he proposes to take to-morrow, because then honorable senators can make their arrangements accordingly. I should also like to suggest to him that it would be convenient to a good many honorable senators if the Senate did not meet on Tuesday, but on Wednesday next week. I

o not ask my honorable and learned friend o intimate finally what his intentions are s to that, if he has any hesitation about loing so, but will ask him to give an intima- tion to-morrow as soon as we meet.

Senator O'CONNOR. — As to the first matter which has been mentioned, it is our ntention to proceed to-morrow with the re- solution relating to the Governor-General's Establishment. I do not think it will be worth while going on with any other business. It is not my intention to take the Electoral Bill. With regard to the adjourn- ment, it is necessary to get this message sent to the House of Representatives as soon as possible. I understand that they will be sitting on Tuesday. I will not say anything finally, until I have consulted my col- leagues, but I will let the Senate know as early as possible to-morrow.

Progress reported.

ADJOURNMENT.

Resolved (on motion by Senator O'CON- NOR)—

That the Senate at its rising adjourn till 11.30 a.m. to-morrow.

Senate adjourned at 10.32 p.m.

House of Representatives.

Thursday, 28 August, 1902.

Mr. SPEAKER took the chair at 11 a.m., and read prayers.

TELEGRAPH POLES.

Mr. CLARKE asked the Treasurer, *upon notice*—

1. Is he aware that a considerable sum of money is owing by the Postmaster-General's department

to the contractors for the supply of telegraph poles and that the amounts owing cannot be paid owing, it is alleged, to the Treasurer's advance vote being exhausted?

2. If the reason given is correct, will he take steps to insure the payments of the amounts in- volved?

Sir GEORGE TURNER.—I intend to make inquiries into this matter. It is a fact that the Treasurer's advance vote is, unfortunately, practically exhausted, some very heavy claims having been made upon it; but whenever a department makes ap- plication to me for small amounts for wages and small contracts I endeavour, by some means, to make arrangements to meet them. The Postal department recently applied for a sum of £2,000 in connexion with this matter.

FREE TRAVELLING : POSTAL DEPARTMENT.

Mr. CLARKE asked the Minister re- presenting the Postmaster-General, *upon notice*—

1. Has a suggestion reached the Department of the Postmaster-General to insert a clause in future mail contracts providing that all postal officials when travelling on duty shall be carried free?

2. By whom was such suggestion (if received) made?

3. If received, has such proposal been carefully considered?

4. Has such a provision been recently intro- duced into mail contracts of the State of Queens- land?

Sir PHILIP FYSH.—The answers to the honorable member's questions are as follow :—

1. No such suggestion has reached the depart- ment of the Postmaster-General.

2 and 3. Replies included in the answer to No. 1.

4. No.

POST AND TELEGRAPH RATES BILL.

In Committee (Consideration resumed from 27th August, *vide* page 15495):

SECOND SCHEDULE.

PART I.—ORDINARY TELEGRAMS.

	Town and Suburban within prescribed limits.	Other places within each State.	Inter-State, i.e. from any one State to any other State.
Per word	One halfpenny ...	Three farthings ...	One penny
Minimum charge per message ...	Sixpence ...	Ninepence ...	One shilling

Double the foregoing rates to be charged for the transmission of telegrams on Sunday, Christmas Day, and Good Friday, and for "urgent" telegrams.

The foregoing rates are exclusive of portorage charges.

A fraction of a penny occurring in a charge calculated according to the foregoing rates is to be charged as a penny.

PART II.—PRESS TELEGRAMS.

	Within any State.	Inter-State, i.e., from any one State to any other State.	Relating to Parliamentary and Executive Proceedings of the Commonwealth.
Not exceeding 25 words ...	Sixpence ...	One shilling	
Exceeding 25, but not exceeding 50 words	Ninepence ...	One shilling and six-pence	
Exceeding 50, but not exceeding 100 words	One shilling and six-pence	Three shillings	
Every additional 50 words or portion of 50 words	Sixpence ...	One shilling and six-pence	
Within the Commonwealth.			
Not exceeding 25 words ...	...	...	One shilling
Exceeding 25, but not exceeding 100 words	...	...	One shilling and six-pence
Every additional 50 words or portion of 50 words ...	...	...	Sixpence

The foregoing rates are exclusive of portorage charges.

Mr. SKENE (Grampians).—I have given notice of an amendment to omit all the words after “telegrams” in the heading of this schedule down to the word “shilling,” with a view to insert in lieu, thereof, the words, “per word, exclusive of eight words for address and signature, one penny; minimum charge for message, 9d.” It has, however, been suggested to me that the moving of that amendment would prevent other honorable members from moving amendments which they wish to bring forward, and, therefore, I move now,—

That the words “town and suburban, within prescribed limits” be omitted.

That amendment will raise the question whether a special rate should be given to the town and suburban areas, and later on if it is carried, I shall move the omission of the word “other” upon which the question of the general rate to be charged can be discussed. I do not wish to resurrect all the arguments which have been used on this subject in second reading speeches. I think it has been conclusively shown that there are no strong reasons why a distinction should be made between the town and suburban areas and the country, in the matter of telegraph rates. Those who reside in town and suburban areas have many advantages which country residents do not possess. They have a delivery of letters two or three times daily, a telephone service, and many other means of communication arising out of their closeness to each other.

That being so, I do not see why they should be specially favoured in the matter of telegraph rates. If the town and suburban telegraph rate is lowered, a larger staff of operators and messengers will be needed for the transmission of the messages, and not only will the revenue from telegrams suffer, but the receipts from the postal and telephone services are also likely to diminish. I shall altogether oppose the adoption of a sixpenny rate for telegrams, and I think there are strong reasons why whatever rate is given to the town and suburban areas should be extended at least some distance into the country.

Sir PHILIP FYSH (Tasmania). — I must again ask the attention of honorable members to the fact that the department is proposing to make concessions in this direction which are estimated at some £40,000 a year. It is, moreover, proposing to give to the community a cheaper telegraphic system than exists anywhere else in the known world. In making that statement I am quoting the words of Mr. Sassoun, who is associated with Mr. Sandford Fleming in electrical business. Honorable members may be of the opinion that the telegraphic systems of the United States and of Canada are cheap systems; but Mr. Sandford Fleming, in speaking on the subject to a body of scientists specially interested in this matter, drew attention to the fact that the rates charged in those countries are practically twice as high as the rates charged elsewhere. There is in America a 50-cent. rate for telegrams sent from

one town to another, but if a telegram is transmitted from Boston to San Francisco, the rate charged is 1 dollar. As a matter of fact, the proposals of the Postmaster-General are rather ahead of the times, because, whereas he proposes to give a minimum rate of $\frac{1}{2}$ d. a word, and a maximum rate of 1d. a word, the rate from London to different parts of the continent varies from 2d. a word to Paris, a distance of 287 miles, to $5\frac{1}{2}$ d. a word to St. Petersburg, a distance of 1,774 miles. The Postmaster-General wishes to continue to the town and suburban districts of five of the States the privilege of a special rate which they have hitherto enjoyed, and to extend that privilege to the town and suburban residents of Victoria, where, hitherto, there has been a uniform rate of 9d. throughout the State. In all the States but one there has hitherto been a town and suburban rate of 6d. a telegram for a limited number of words, with a charge of 1d. a word for telegrams transmitted throughout the whole State, of 2d. a word for telegrams sent through two States, and of 3d. a word for telegrams sent through three States. In putting forward the proposals in the Bill, the Postmaster-General not only desires to legislate in a federal spirit for a federated community, but he evidently had in his mind the statement made by Mr. Sandford Fleming, that a feature of peculiar importance in the British telegraph service is the adoption of a uniform charge for all distances. The proposal of the honorable member for Grampians would give a uniform rate of 1d. throughout the Commonwealth, but it would do away with the cheaper suburban rate. In considering whether he should adopt the zone system in regard to telegraph rates, the Postmaster-General was confronted with the provisions of section 99 of the Constitution, the correct interpretation of which is a matter worthy of the consideration of our legal friends, as to whether, in legislating for the Commonwealth, we are bound to regard every individual as entitled to the same privileges.

Sir WILLIAM McMILLAN.—What about the postage rates?

Sir PHILIP FYSH.—Undoubtedly the rates are incongruous, but they exist under State laws. Directly the Postmaster-General comes to deal with the varying rates of postage, he must adopt the principle of an

amendment, which was moved last evening by the honorable member for Kalgoorlie, that they should be uniform.

Mr. GLYNN.—Then a distinction ought not to be made between a man who sends a long telegram, and a man who sends a short one.

Sir PHILIP FYSH.—The logic of that remark does not appeal to my mind. I do not propose to discuss the provision in section 99 of the Constitution Act. I merely call the attention of honorable members to the position, because it has occurred to me that if we cannot immediately adopt the letter, we must progress towards the spirit of the section, which says—

The Commonwealth shall not by any law or regulation of trade, commerce, or revenue give preference to one State or any part thereof over another State or any part thereof.

Mr. JOSEPH COOK.—How would the honorable gentleman apply that principle of equality to States which are unequal in their natural conditions?

Sir PHILIP FYSH.—I am not going to deal with that point. I have not risen to make a learned disquisition on the law of that section, but I think that when we come to deal with the question of zones, we shall simplify the discussion, and get out of a great deal of difficulty, if we remember its existence, and the comments of the learned gentlemen who compiled the *Annotated Constitution*, in which they most distinctly lay down in connexion with services rendered—they even use the term “postal services,” I believe—that it would be a preference. With respect to the question whether the Postmaster-General is giving a cheaper service, I desire to make a few observations. The department has estimated the value of the reductions in the rates which are made by this Bill, at about £40,000 per annum. On a previous occasion I told honorable members that the Postmaster-General in consenting to give up that amount of revenue expects to receive a similar amount, or a little more, from the postage on newspapers. Last evening the expectation of that increased revenue was materially affected by the amendments carried in regard to the weight of newspapers. The department will lose a considerable sum by those alterations.

Mr. JOSEPH COOK.—I do not think it will lose £100.

Sir PHILIP FYSH.—Surely if the Postmaster-General proposes to carry 16 ozs. of

newspaper for 1d., and he is made to carry 20 ozs. for that rate, it is very certain that on the aggregate of 6,000 tons of newspapers which are carried over our railways, and a large proportion of which goes on to the postal carts, he must be a considerable loser.

Mr. JOSEPH COOK.—The rate will not operate on all that matter.

Sir PHILIP FYSH.—It will operate very largely. However, I wish to limit my observations to the question immediately before the committee. I desire to call attention to a statement which has been rather forcefully obtruded upon honorable members, namely, that the schedule gives no advantages to the people—that instead of the 6d. suburban rate being maintained, it is being increased to 9d. I find that, whether the message be confined to twelve words or to 24 words, and even taking into consideration the charge for the address, Victoria gains considerably under the schedule. If I take the rate between New South Wales or Victoria and South Australia, I find that in every respect, excepting the twelve words, there is an all-round reduction—that whereas the rates are from 2s. to 3s., they will be from 1s. 6d. to 2s. So far as New South Wales, Victoria, and Western Australia are concerned, the rates which are at present from 3s. to 4s. 6d. will be reduced to 1s. 6d., with a maximum of 2s. It will be a great disappointment I hold, to the people of the five States who have a suburban rate if it is discontinued. It is the cheapest service so far as the department is concerned. More profit is made on the suburban business than on any other; the cost of construction is limited to a few miles instead of extending to hundreds of miles, while the cost of maintenance is proportionately less. Therefore, we may presume that, with a rate of 1d. per word, the profit is greater over the short distance than over the long distance.

Mr. SKENE.—Has the honorable gentleman any official statement to that effect?

Sir PHILIP FYSH.—No; but I have been associated with a Postal department for a great many years, and in Tasmania we always considered that a greater profit was made on the short mileage than on the long mileage. I think it will be found that the suburban rates on the mainland pay better than do the rates for long distances. A very large proportion of the population

of these States live within the operation of the suburban rates, and to rob the five States of the advantages which they have because Victoria has not enjoyed them is wrong. I believe that they would prefer to extend to Victoria the advantages which they enjoy. I hope that the suburban rate will be continued.

Mr. JOSEPH COOK.—Will the honorable gentleman, before he resumes his seat, indicate what his attitude is with regard to charging for the address and the sender's name?

Sir PHILIP FYSH.—The Postmaster-General lays great stress on the advisability of enabling him to charge for the address and the sender's name. It has been stated by the honorable member for Parramatta that a return of the number of telegrams sent out of the Sydney office on a given day shows that about 90 per cent. averaged from five to fifteen words. My honorable colleague urges the advisability of making the proposed charge, because he has valued the services to be rendered at over £95,000 per annum, and although I have heard the honorable member for Parramatta challenge the accuracy of that statement on one or two occasions, it is indorsed by the Deputy Postmasters-General, who, being practical men, are in a position to support their statements. If it is seriously proposed to deprive the Postmaster-General of his right to make this charge, I must ask honorable members to consider at what cost it is to be done, and to give a reason why it should be done, seeing that in other important countries a charge is made. In New South Wales and Canada, the address is not charged for in connexion with a certain class of their business, but, as I said before, their rates are certainly twice those which are payable elsewhere.

Sir WILLIAM McMILLAN.—Does the 6d. suburban rate pay in Sydney, where the address is not charged for?

Sir PHILIP FYSH.—I am not in a position to say. The department cannot afford to give way in every direction, and I must ask the committee to consider whether it is advisable to adopt a uniform rate of 1d. per word for the Commonwealth, and to enable the Postmaster-General to make good some portion of the loss which it will entail by making a charge for the address, and the name of the sender. We cannot carry telegrams all over the Commonwealth

at the rate of 1d. per word, if we do not charge for the address and the sender's name, which are estimated at seven words, except at a very serious loss to the revenue. I hope that the committee will support the provision for a charge to be made.

Mr. McCOLL (Echuca).—If we are to have long second reading speeches on every point which is raised, we shall not conclude the consideration of this Bill to-day. I should like the debate to be confined to the simple point—are we to have differential rates within one State—which is raised by the amendment of the honorable member for Grampians to strike out the words, “town and suburban within prescribed limits”? I think that we should not sanction the introduction of differential rates. I fail to see why the rate for Melbourne and suburbs should be different from that for Gisborne, Kyneton, Bendigo, Ballarat, or Castlemaine. I am not familiar with the working of the department, but I imagine that it costs no more to send a telegram from Melbourne to Ballarat or Bendigo than to Caulfield or Williamstown, which are within the metropolitan radius. Residents in the cities enjoy many more conveniences than are at the command of people who live in the remote districts. In many cases heavy portorage has to be paid upon country messages, and it is wrong to penalize those who are far removed from the populous centres by making them pay an extra charge for their telegrams. Whatever rate is fixed should be uniform throughout the States. We cannot afford to throw away revenue, and if the reduction of the telegraph rates would involve any loss I should be in favour of retaining those now in existence, at any rate until the book-keeping period has expired.

Sir WILLIAM McMILLAN (Wentworth).—I am always happy to shorten debate as much as possible, but I regard this as one of the most important and practical questions that we have been called upon to discuss. The Bill will be far-reaching in its consequences, and our decision will probably hold good for a very long period. The figures furnished by the Government with regard to many matters connected with the postal system show the necessity for employing some reliable statistical authority. I do not for one moment doubt the *bona fides* of the Minister, but I do not believe in the figures he has presented to us. I am sorry that I cannot agree with the proposal

that a uniform rate should be charged throughout the States. So many attempts have been made to curtail the rights and privileges which have hitherto been enjoyed by the public that people are beginning to ask whether the objects with which the Commonwealth was established were not entirely misunderstood. The Government proposals with regard to city and suburban telegrams would have the effect of increasing the rates from 6d. to 9d. per message, and I shall be no party to making any such change. Uniformity is very desirable within reasonable bounds, but we must not lose sight of the special considerations which should operate in this case. I am willing to support the honorable member for the Grampians in securing a uniform rate for all messages throughout the Commonwealth, beyond those despatched within city and suburban areas. The question for us to consider is whether the rates now proposed, including the eight words allowed for the names and addresses, are reasonable, in view of the financial necessities of the department. In dealing with this matter for the whole of the Commonwealth, we should not lay too much stress upon the necessity for immediate payment. If we believe that an arrangement extending generous terms to the public would pay within a reasonable period we should be prepared to face an immediate loss. That should be the guiding policy in the administration of all the great public departments. I should cordially support a proposal to make a uniform charge of 9d. per message throughout Australia, apart from a special charge of 6d. per message for telegrams despatched within city and suburban areas. In each case eight words should be allowed for the names and addresses.

Mr. WATSON.—Would a charge of 9d. be sufficient for messages despatched from one end of Australia to the other?

Sir WILLIAM McMILLAN.—I do not know that 9d. telegrams would pay at once, but I believe that ultimately the revenue would be increased. None of us can say with authority that a 9d. or a 10d. or a 1s. rate would involve a loss, and we can only arrive at the truth by experience after a reasonable trial. The statistics presented to us cannot be absolutely relied on. I make full allowance for the difficulties of the situation, because I have stated on previous occasions that no Treasurer could possibly forecast the financial position of the Commonwealth during

the next two or three years. At the same time, we should be prepared to make reasonable concessions, and to deal with the Commonwealth departments from a national stand-point, in order that the public may derive substantial advantages from the change of administration. It is a matter for consideration whether eight words would be sufficient to allow for names and addresses. In England, they obviate a great deal of difficulty by charging for the addresses, and they adopt a system under which persons can register their addresses at a small fee, and thus reduce the directions on the telegrams to a minimum number of words. I know, however, that in many parts of Australia the addresses have to be given at some length in order to insure the delivery of the message to the proper person. We should be very careful not to make innovations which will have the effect of restricting the privileges hitherto enjoyed by the public. I should be inclined to adhere to the present system rather than take drastic steps which would operate to the disadvantage of those who now make use of the public services. The tendency of all progressive movements in these days is to annihilate space so far as correspondence and communication is concerned, and the volume of business in our public departments and our revenue will increase in proportion to the liberality of the terms extended to the public. I understand, of course, that there are certain limits beyond which we cannot go if we desire our public departments to be conducted upon a paying basis, but it will be better to err on the side of liberality at the outset, and retrace our steps afterwards if necessary.

Mr. SALMON (Laanecoorie). — The amendment of which I have given notice provides for the omission of the whole of the words in the body of the schedule, including those comprehended in the amendment now before us, and the substitution of an entirely new form. The honorable member for Grampians has submitted the straight-out issue whether there should be any distinction made between town and suburban and country telegrams. I am strongly of opinion that it is unfair to differentiate between the two classes of messages, because any such distinction must perpetuate that centralizing policy which has been one of the greatest curses of Australia. I recognise that the claim

put forward by residents in the metropolitan areas has a certain amount of force. The claim is, that they are really wholesale customers, but I would point out that they cannot really be regarded as wholesale customers, because the individual units who use the telegraph lines must be taken into account. It simply means that the scattered populations—those who from the very fact of their being separated should have greater consideration—are made to suffer. I think that is very unfair. I am glad to say that we have not had this differential rate in Victoria, and when we last reduced the cost of postage we again refused to have a differential rate. Victoria is one of the most evenly settled States in the group. As it has been found in Victoria inadvisable to make this distinction, how much greater will be the ill results following from such a distinction in States that are not so closely settled? I would urge honorable members to see that every part of every State in the Commonwealth has the same privilege extended to it, and that no part is called upon by reason of the disadvantages from which it suffers to pay a greater penalty than the people in those parts who enjoy greater benefits. The honorable member for Echuca has pointed out that in the country at present those who use the telegraph wires are placed at a distinct disadvantage, not only with regard to the want of facilities in being compelled to travel very many miles to use the telegraph, and in being compelled also to wait a considerable time before receiving replies to their messages, but also in having to pay a large amount in portage. If they do not pay portage, we have in Victoria a system by means of which telegrams can be sent to the receiver by post; but that means delay and probable additional expense. Is it a fair thing that those who live in areas which are more centralized should have the privilege of a reduction, such as is proposed by the Government, of 33½ per cent. over those who are residing in the country? That is the question we have to settle. Are we to have a differential rate, or—as we say that all men are equal before the law, and as duties of customs that are imposed are levied equally in every instance—are we going to say that those who use the post-office are to be charged in accordance with the benefit which they receive. The benefit to a man in the country is not one whit greater than to the

man in the town. The benefit is equal, and the expense is very nearly equal; at any rate, there is very little difference indeed. Therefore, we should not make this difference in the payments. Some honorable members may ask whether I should be in favour of all men paying the same for travelling on the railway lines without regard to distance. There the benefit which is conferred upon the passenger bears a strict relation to the amount which he pays, and to the cost of conveyance. But with regard to telegraphs there is very little difference, or none whatever. Under the circumstances, I hope to see the cost reduced. I do not want to see the amount which the Government proposes charged at all; but, if it is to be charged, let it be paid by all, and not by a section.

Mr. JOSEPH COOK (Parramatta).—I do not think we are proceeding in the right way with regard to this question. First of all, the committee should have decided whether the names and addresses are to be paid for. The Victorian rate will be an increase upon the New South Wales rate, and that is what we want to avoid.

Sir JOHN QUICK.—I shall vote for sixpenny telegrams without names and addresses being charged for.

Mr. JOSEPH COOK.—If we decide that whatever rate is fixed shall be uniform, we shall be committed to a higher uniform rate, instead of to a lower one.

Mr. WINTER COOKE.—The question now is whether we shall have differential rates or not.

Mr. SKENE.—The question we have to decide is whether we shall retain the words "town and suburban." If the honorable member for Parramatta wants sixpenny telegrams, he should propose a charge of sixpence within a certain radius of a post-office.

Mr. JOSEPH COOK.—I appreciate that point, and I also want to abolish these distinctions if I can get a uniform lower rate. But I do not want to abolish them if we are to have a uniform higher rate. If I could not get a sixpenny rate for the States, I should prefer to have a sixpenny rate for the cities, and ninepence for the country, rather than a ninepenny rate all through. The honorable member for Grampians, on the other hand, is, I understand, in favour of a ninepenny rate all through. I do not think there should be a uniform rate throughout the

Commonwealth. We have not got to that point yet. We are pushing the federal idea to an absurd extreme if we urge that. What we want is a zone rate.

Mr. WINTER COOKE.—The honorable member favours penny postage for the whole Commonwealth.

Mr. JOSEPH COOK.—And I should be in favour of a uniform telegraph rate if I thought it would pay. That is the distinction between postal and telegraphic rates. The honorable member can at present send a letter to Queensland for 2d., but he cannot send a telegram to Queensland at the same rate as that for which he can send a telegram in his own State. The telegraph rates vary for purely financial reasons. The distinction is preserved everywhere. In Canada and all over the world there is no uniformity as between postage and telegraph rates. For the present, at any rate, 1s. for Inter-State telegraph messages is little enough. A shilling for 3,000 miles ought to satisfy the greatest stickler for economy or for facilities. My idea is that there should be a zone within which the 6d. rate would operate, names and addresses being not charged for; and that there should be another rate of 1s. for the rest of the Commonwealth. I would make the zone 600 miles in extent.

Mr. A. PATERSON.—That would cover New South Wales, but what about Queensland?

Mr. JOSEPH COOK.—The zone should be 600 miles from any post-office in the Commonwealth; therefore it would operate as well in Queensland as anywhere else. Any man in Queensland would be able to go to a telegraph-office, say, in the centre of that State, and could send a 6d. telegram to Brisbane or to the northern portion of the State within 600 miles. The zone rate would operate all over Australia, without respect to borders. But the proposal of the honorable member would operate only within the State, and he would still charge for names and addresses, which is the most vicious element in the whole position. It really means that a proposal for 6d. telegrams is a proposal for 9d. telegrams. If the Minister will take the schedule as it stands, and will leave out the proposal to charge for names and addresses, I shall be prepared to support him right through. It is the proposal to charge for names and addresses that I most strongly object to. Let the Government agree to

make names and addresses free, plus the rates proposed in the schedule, and I will support them, although I admit that theirs is not a strictly federal proposal.

Mr. POYNTON.—Do I understand that the honorable member wants telegrams sent from Adelaide to Melbourne for 6d.?

Mr. JOSEPH COOK.—Yes, if the distance is within 600 miles.

Mr. POYNTON.—Does he want 6d. telegrams for the whole continent?

Mr. JOSEPH COOK.—Oh, no. If a man wanted to telegraph from Adelaide to Sydney he would have to pay 1s. My proposal means the complete obliteration of the borders. I candidly believe that such a system would bring in quite as much revenue as would the rates which the Government propose. The more telegraph facilities are given to the people the better the service will pay ultimately, and the cheaper the telegrams are made the greater will be the number sent over the wires, and ultimately the better the revenue will be.

Mr. DEAKIN.—If the committee will extend to me their indulgence for a few moments, and the Chairman allows me a little latitude, I will venture to suggest what I hope will prove to be a compromise satisfactory to all concerned. I begin by accepting the proposition laid down by the honorable member for Parramatta, that this schedule should contain no increases on any existing rates within the Commonwealth. In every case what is proposed should either be the existing rate or a lower rate. What I think honorable members have had in view—those at all events, who represent five States, where a distinction has existed between metropolitan and country rates—what the great bulk of the committee have had in view—has been a 6d. town message, a 9d. State message, and a 1s. Commonwealth or Inter-State message. The zone proposal of the honorable member for Parramatta has much to recommend it, and will probably be adopted eventually. But while the bookkeeping system obtains—while we have to reckon the receipts in each State—we are not taking an anti-federal course in maintaining the present system. We are only adopting the most convenient method of enabling the telegraph revenue to be allocated. The zone system would mean the division of every Inter-State message into fractions, in order to enable the proper amount to be credited to each State,

whereas the present system enables the collections to be at once credited to the proper States. If we commenced with a blank sheet, no one would favour the present system; but, under existing circumstances, having regard to the bookkeeping system, it appears to be a very desirable method to retain for the next few years. If honorable members will permit me to trespass for a moment, I will make a remark or two on the subject of charging for names and addresses. It has been the custom throughout Australia to enable names and addresses to be telegraphed free, and that privilege, as honorable members are aware, has, in some instances, been abused. At all events, it is desirable, while making allowance for proper provision for names and addresses to be telegraphed, to avoid the free use which has been made of the telegraph lines in that respect.

Mr. WATSON.—If there are two few words in the name and address it may mean more expense to the department.

Mr. DEAKIN.—That is so, but if a reasonable margin be allowed—and I think that six words is reasonable—and if we allow a message to be sent at a fixed rate with that number of words free for the name and address, increasing the charge if more words are used for that purpose, it will rest with the person sending the message whether he uses the full number of six words for the name and address, or whether he puts the name and address into fewer words and gets the benefit of the extra words in the body of his telegram.

Sir WILLIAM McMILLAN.—Would names beginning with "Mac" and "O" be counted as two words?

Mr. DEAKIN.—Not in any English-speaking country. The proposals which I venture to submit to the committee, not as retaining all that the Government would desire in the way of financial gain, but as representing, apparently, the views of a majority. The proposals are as follow:—City and suburban telegrams, including address and signature, not exceeding sixteen words, 6d.; each additional word, up to twenty words, 1d.; and each additional word thereafter, $\frac{1}{2}$ d. Messages within the States, exclusive of the city and suburban area, including the address and signature, not exceeding fifteen words, 9d.; each additional word up to twenty-four words, 1d.; and each additional word thereafter $\frac{1}{2}$ d.

We propose further that Inter-State messages, including the address and signature, not exceeding sixteen words shall be charged 1s., and each additional word 2d.

Mr. WATSON.—Why not make it sixteen words all round?

Mr. DEAKIN.—I have no objection to adopting that course.

Sir WILLIAM McMILLAN.—Would it not be better to make one charge for all words in excess of sixteen words?

Mr. GLYNN.—Why not follow the alternative proposal outlined by the experts?

Mr. DEAKIN.—As a matter of fact the recommendation of the experts was that each additional word should be charged 1d. That would mean that for the city and suburban area a telegram containing sixteen words would be charged 6d., whilst for every additional word 1d. would be the rate. Within the States 9d. would be charged for sixteen words, and 1d. for every additional word, whilst Inter-State messages would cost 1s., and 1d. for every additional word. After all perhaps it would be an advantage to have only two rates. Under such a system city messages containing twenty words would pay a little more—but these are not very numerous—whilst the Inter-State messages would pay 1d. instead of 2d. for each word in excess of sixteen and up to 24 words.

Mr. SKENE (Grampians).—As the discussion has become general, I think it is only right that I should give the committee some fuller reasons for moving this amendment. I fully recognise that whilst our present financial relations with the States continue, the question of revenue is one of the very greatest importance. I attach no importance whatever to the estimate which the Minister has placed before us in regard to addresses and signatures. Last night the honorable member for Parramatta and the honorable and learned member for Corinella stigmatized some of the estimates which he gave as mere guesswork. I am disposed to go further, and say, in the language of the poet Gordon, that it is not only guesswork, but a blank enigma. No one can possibly say what the result of these charges will be. Therefore I think that the estimate of the Attorney-General ought to be completely eliminated from the consideration of this question. The Government, moreover, have entirely given away any

argument in favour of an additional rate which may be based either on long distance or upon the cost of transmission. The question of long distance involves the cost of construction and maintenance of the lines, and the charge for transmission involves the passing of the same telegram through several different offices. The Minister representing the Postmaster-General has declared that the public could send an Inter-State message from Cape Leuwin or Cape Howe to Thursday Island. He might have gone further, and stated that they could send a telegram from Brisbane to Cape Leuwin. Upon the ground of distance, there is no justification whatever for an extra charge upon Inter-State messages. The only reason which can possibly be urged is that some messages pass from within the boundaries of one State to those of another. The Minister has also put it that it might be held to be unconstitutional to adopt the zone system. But I look at that matter from an entirely different stand-point. I think that the system, as proposed by the Ministry, would be unconstitutional. They propose to introduce a zone of 25 miles upon the boundaries of the different States.

Mr. WATSON.—I understand that they have now dropped that.

Mr. SKENE.—If their proposal does not constitute a preference as between one part of a State and another, I do not know what does. If an individual trading between Moama and Melbourne, and another trading between Deniliquin and Melbourne are to be charged different rates, the former 9d., and the latter 1s., I hold that a distinct preference is made in favour of one part of a State as against another. I have looked up probably the best constitutional authority to be had—I refer to Messrs. Quick and Garran's *Annotated Constitution*—and their view upon what constitutes a preference as set out upon page 877 of their work is as follows:—

A preference is a discrimination considered in relation to the person or State in whose favour such a discrimination is In the case of the Commonwealth every preference whatever is forbidden by the Constitution itself, irrespective of injustice or unreasonableness.

I hold that under the Constitution the Commonwealth is prohibited from giving any part of a State a preference. Of course, I do not pretend to be able to construe the Constitution as well as could

a lawyer, but to my mind, if the extract which I have quoted is not in accordance with its letter, it is certainly in accordance with its spirit. It is not within the province of this Legislature to make laws which give an advantage to one person over another. The rate which is now proposed in the Bill for State messages is 9d. Under that proposal a telegram can be sent in South Australia from Adelaide to Port Darwin—a distance of about 2,000 miles—but in no part of Victoria can a message be sent a quarter of that distance. Thus a distinct preference is given to one State as against another. To my mind there is no justification whatever for this distinction. On the one hand, a message can be transmitted for 2,000 miles in South Australia for 9d., whilst a similar telegram between Moama and Echuca—a distance of only one mile—would be charged 1s. The zone system at least has the advantage that some reason can be assigned for the extra charge. We cannot split up a penny for a postage stamp into a number of parts as a pound can be apportioned in connexion with railway travelling; neither can 9d. for a telegram be subdivided into a great many parts. We must take a certain area in which a minimum charge is made. The rate charged for telegrams in Sydney, for the metropolitan area is 6d., and for the country 1s. It seems to me that fact indicates that Sydney has controlled the destinies of New South Wales very much as Melbourne has dominated those of Victoria. Under my proposal, the 6d. rate in Sydney would be very much equalized by the fact that most of the country messages would be charged a lower rate than they are at present. Similarly the Inter-State messages would cost less. Of course, I admit that the long-distance lines in South Australia and Western Australia are to a large extent national lines. I am not objecting to the rate charged in South Australia. I only use it to point the argument, that if the people of one State can send a telegram 2,000 miles for 9d., there is no reason whatever why the Commonwealth should not adopt the same course irrespective of State boundaries. The bulk of the Inter-State telegrams simply cross the border line, and if the argument of the honorable member for Parramatta, that a 6d. rate within the metropolitan area will produce more revenue is sound, it is fair to assume that a reduction in the Inter-State charge will also be productive of a similar

Mr. Skene.

result. Trade advantages are generally with the large towns. To my mind, the charge in the town districts might well be so levelled up as to bring about a uniform rate. My contention is that a uniform rate would be more in consonance with the federal spirit; that it would facilitate and simplify the administration of the department; and that it would, perhaps, effect some saving in that direction. The 9d. rate—eliminating, of course, the proposed charge for name, address, and signature—should be a uniform one, and the people of Sydney should consider the advantage which they would obtain from the extension of the rate to country districts. I believe that the proposal which I have made for a uniform rate would, if adopted, return just as much, if not more, revenue than would the proposal made by the Government.

Sir JOHN QUICK (Bendigo).—I welcome the announcement made by the Attorney-General that the Government are prepared to accept a modified scheme. I agree with the honorable member for Parramatta that one of the principal grounds of complaint against the scheme embodied in the Bill was the charge proposed to be made for names, addresses, and signatures, because that charge would have involved a very heavy burden upon persons using the service. In a circular issued by the Victorian Storekeepers' and Traders' Association, it is stated that—

Telegrams, if sent according to the proposed new rates in the schedule, would cost the sender at least 50 per cent. more than is charged at present.

Mr. SALMON.—That is in regard to 9d. telegrams.

Sir JOHN QUICK.—Yes. The trading community of Victoria make decided complaints, in which the Stock Exchange joins very seriously, against the proposal. In a circular issued by the Stock Exchange of Melbourne, it is said—

Our principal objection to the Bill is the new departure charging for name, address, and signature, introduced by the Postmaster-General on the plea that this is the practice in every civilized country outside of Australia. In making this assertion the Postmaster-General evidently overlooked the United States and Canada, where name, address, and signature are free.

Particulars are furnished showing that if a charge were made for names, addresses, and signatures, the business done in the telegraph-office at the Melbourne Stock Exchange would involve an extra charge

of over £1,800 per annum. I am glad that the Minister has seen his way clear to propose an amended scheme, in which he has abandoned the contemplated charge. At the same time I am sorry that he is unable to go a little further, and provide for 6d. telegrams over wider areas than those of city and suburbs. Like the honorable member for Echuca and the honorable member for Laanecoorie, I fail to see why cities such as Melbourne, Sydney, or any other Australian capital, should be particularly favoured by the special application of the system to them. It is said that most of these metropolitan centres have hitherto enjoyed the system, and that it would be very hard to deprive them of it. But the value of the system in city and suburbs has been of late years considerably reduced by the extension of the telephone service. When 6d. telegrams for cities and suburbs were first introduced, there was no telephonic system such as now exists in Melbourne, Sydney, Adelaide, and the other metropolitan cities of the Commonwealth and the extension of the telephone service has largely dispensed with the necessity of resorting to the popular and cheap system of 6d. telegrams in these places. It is stated in a circular issued by the Victorian Shopkeepers' Association that the telephone is now so largely used in cities and suburbs that telegrams are rarely thought of by business people, so that the great stress laid by the honorable member for Parramatta upon the 6d. telegram system as a kind of rightful inheritance of Sydney and other capitals, is not altogether justified. The time has arrived when we should allow telegrams to be sent at this cheap rate over wider areas than those suggested. The only question is as to the principle upon which the system should be extended. It should be possible to devise a method to extend it, first of all to telegrams sent to any address within a State. That is what, I understand, the honorable member for Laanecoorie suggests. To a large extent, however, that would involve an inequality in the privileges enjoyed by the people of the various States. For instance, residents of Queensland would be able to send sixpenny telegrams over much wider areas than would be possible to the people of Victoria.

Mr. CROUCH.—In Western Australia people would be able to send telegrams

over distances twenty times as great as would be possible to the residents of Tasmania.

Sir JOHN QUICK.—Exactly. Therefore a State could hardly be taken as a fair measure. If it were decided to adopt the sixpenny telegram system, it would be only fit and proper to consider the zone system suggested by the honorable member for Parramatta.

Mr. KENNEDY.—The same trouble would occur under that system.

Sir JOHN QUICK.—I do not think that the discrimination would be so glaring.

Sir WILLIAM McMILLAN.—But the book-keeping period is fatal to the adoption of that system.

Sir JOHN QUICK.—Of course. I am not quite satisfied that the time has arrived when we could adopt it; but, ideally and logically, I think it would be a desirable system.

Sir WILLIAM McMILLAN.—The honorable member for Parramatta allows that the time has not yet arrived for its adoption.

Sir JOHN QUICK.—That is so. I do not think that the suggestion made by the honorable member for Grampians, that we should have one uniform system, could be vindicated either on commercial or logical grounds. We should charge for telegrams, according to the value of the services rendered. It is urged that a telegram can be sent over a distance of 1,000 miles at no greater expense than is involved in sending a message over a distance of 100 miles. But in dealing with a revenue-earning and service-rendering department such as this, we have to consider the amount of capital which has been sunk to enable it to render those services.

Mr. KENNEDY.—If we do that we shall never have a 6d. rate for the country.

Sir JOHN QUICK.—We might have a rough and ready line of demarcation in regard to the value of the services rendered, without insisting upon any mathematical accuracy. At the same time I do not think the time has arrived for that. I have been principally interested in endeavouring to secure the abolition of the proposal that a charge should be made for names, addresses, and signatures. I am glad that that proposal has been thrown aside. My next object will be to secure the concession of 6d. telegrams, either within a State or under some zone system; but as the time is not yet ripe for that, I do not see my way clear to unduly

press it. I hope the time will arrive when the department will be conducted upon such lines, and when our federal development will have arrived at such a stage as to enable us to give more liberal concessions in this direction.

Mr. GLYNN (South Australia).—I am very glad that the Ministry have made an amended proposal, because I am always anxious, especially in regard to postal matters, to follow the recommendations of the department, seeing that private members necessarily suffer from a want of accurate information upon the question. I was in somewhat of a difficulty in regard to the proposals in the Bill, because they do not appear to be in accordance with the recommendations of the experts. They are certainly not in accordance with the two recommendations contained in the report which I obtained from the Minister, and therefore I should have had considerable difficulty in accepting them. The proposition now made comes very near to an alternative proposal made by the experts. It is more protective for the revenue, and therefore I approve of it, although it is not quite so liberal. The alternative suggestion now made is that a charge of 6d. shall be made for a telegram containing sixteen words in cities and suburbs; 9d. for other telegrams transmitted to any address within a State, and 1s. for Inter-State telegrams, with a charge of 1d. per word for every word in excess of sixteen. That proposal allows six words for the name and address as against the estimate of five given by the experts. The recommendation of the experts was that Inter-State telegrams should be transmitted for 6d. each. Their alternate suggestion was that a charge of 6d. should be made for city and suburban telegrams, and 9d. for any other telegram sent to any address within a State, with a charge of 1d. for every additional word over fifteen. They also proposed a 6d. rate for Inter-State telegrams up to fifteen words, with a further charge of 1d. for every additional word.

Mr. L. E. GROOM.—Did they actually propose a lower rate for Inter-State messages than that for State messages?

Mr. GLYNN.—I think the honorable and learned member will find the statement to which I have referred in the second alternative suggestion made by the experts. The Ministerial proposal that a charge of 1s. shall be made for Inter-State telegrams is

certainly far more protective to the revenue. I contend it should be so for the reason that the loss will be far greater to South Australia than to any other State. In South Australia we obtain a far greater proportion of our postal and telegraphic revenue from the transmission of telegrams than from other branches of the service. When we were considering the matter at the Convention in 1897, figures were produced showing that in 1896 South Australia obtained £89,000 from the telegraph service, as against £91,000 obtained by Victoria from the same source. Having regard to the smaller population in South Australia, the returns for that State are much larger.

Mr. L. E. GROOM.—I find that the experts recommended that a charge should be made for names and addresses in Inter-State messages. That would have made the Inter-State rate higher than that proposed for messages within a State.

Mr. GLYNN.—A charge was to be made for names and addresses in all cases.

Sir MALCOLM McEACHARN.—Not in the case of city and suburban messages.

Mr. GLYNN.—I did not notice that. The Government propose 1s. telegrams, allowing six words for the name and address, so that it really amounts to a proposition to transmit a ten-words message for 1s. That is half the rate at present charged on telegrams between South Australia and Victoria, and I believe it to be a fair concession. We cannot expect to keep up the rate of 2s., nor can messages be sent for as low a sum as has been suggested, seeing that that course would mean a loss of some £20,000 in South Australia. The estimated loss for the whole Commonwealth will be £90,000, and, considering that the telegraph service produces more in proportion in South Australia than in any other State, the South Australian share of the loss would not be a tenth; but, if addresses were free, to probably £20,000. I am glad, therefore, that an alternative suggestion has been made which very nearly represents what is a fair charge for all the States.

Sir MALCOLM McEACHARN (Melbourne).—I am glad the Minister has agreed to allow six words for the names and addresses. I had given notice of an amendment suggesting that the number of words allowed for the names and addresses should be eight, leaving ten for the message. I feel, however, that the Minister has met

the position very fairly, though at the same time, if any amendment, which I think an improvement, be proposed, I shall hold myself free to vote for it. I consider that the lower the charge for messages, the greater the revenue is likely to be. I cannot, however, support a very large reduction because I think it would take some time to make up the revenue. At the same time, I feel that the proposal now before us is a step in the right direction. There will be a large increase in the number of Inter-State messages, and of messages in the cities and suburbs. Personally I have the same complaint to make against telephones that I have to make in regard to the delivery of telegrams. Many of us know that it is better to walk home than to send a telegraph message there, and much loss of time and inconvenience is caused by delay at the telephone. No satisfaction will be given until some money has been spent on establishing the metallic return system. I do not blame the officers of the department; I blame the fact that the money is not forthcoming to bring the service up to date, and I hope the matter will be taken into consideration as soon as possible.

Mr. CROUCH (Corio).—I am glad some concession has been made by the Minister, though I cannot regard it as of any advantage to the ordinary man in Victoria, who will have to pay higher rates than previously. I usually receive about four telegrams a week, and I find that the average address and signature consists of nine words, though I am willing to accept eight as sufficient. An address is necessary to the signature also in many cases.

The CHAIRMAN.—I ask the honorable member not to discuss that question at present, because it is not before the committee.

Mr. CROUCH.—I understand that there is to be some alternative proposal, and I want to show why the amendment of the honorable member for Grampians should be accepted in preference to that proposal. An allowance of sixteen words for 6d. would be of no advantage in Victoria. Are country towns like Bacchus Marsh subject to the city and suburban rates?

Sir PHILIP FYSE.—No.

Mr. CROUCH.—The charge in Victoria now is 9d. for nine words, and, allowing ten words or eight words for the address and signature, that means nineteen words or seventeen words as the present message

allowance. Under the alternative scheme, a country resident of Victoria will be allowed only sixteen words for 9d.

Sir WILLIAM McMILLAN.—Is all legislation to be based on Victorian usage?

Mr. CROUCH.—I do not say that it should, but I quote Victorian rates and places because I am better acquainted with their details, and I do not want men in Victoria to feel that the Commonwealth scheme is placing them under a disadvantage. Nor do I want any part of the Commonwealth to suffer diminution of its privileges through this Bill. The Victorian country resident gets no advantage from the city rate, and the State rate places him at a disadvantage. It is proposed that Inter-State charge shall be 1s. for sixteen words.

The CHAIRMAN.—I must ask the honorable and learned member not to continue to discuss the rates; they are not now before the committee.

Mr. CROUCH.—I submit with all respect that the Acting Prime Minister, in his responsible position, urged the proposed rates as arguments against the suggestion of the honorable member for Grampians, and that therefore I have a perfect right to discuss this matter, and I intend to do so, unless I am otherwise stopped. I have only one other, but very necessary, reference to make to the rates. It has been suggested, as an amendment, that the charge for an Inter-State message of sixteen words shall be 9d. At the present time a person in any part of Victoria can telegraph to New South Wales ten words for 1s., which means twenty words or eighteen words, allowing ten words or eight words for the address and signature. The Government proposal is sixteen words to New South Wales for 1s.—another disadvantage. In view of these facts, the suggested amendment of the honorable member for Grampians should be supported as the only fair solution of the difficulty.

Mr. KENNEDY (Moir).—I am prepared to accept the amended proposition of the Government as representing a practical reduction throughout the service. We ought not, however, to go too far in this matter of reductions. I am prepared to give the public all the benefit which the service will permit, but we must not lose sight of the fact that there is an absolute loss at the present time on the Post and Telegraph

department throughout the Commonwealth. We have not during the present discussion taken into consideration the important factor of the interest charges on the cost of postal and telegraphic construction throughout the Commonwealth, which represent about a quarter of a million sterling. That is practically a subsidy contributed by the general taxpayer for the benefit of those who use the post and telegraph service, and we are making reductions which, in some instances, amount to 33 per cent. The question arises whether the increased business will be sufficient to return the necessary revenue; and past experience goes to prove that no such result will follow, and that consequently there is possibility of further loss. There is no possibility of introducing the zone system at the present time; and we must accept the situation. The honorable and learned member for Corio has pointed out that the country residents of Victoria will suffer a loss on the charges for Inter-State telegrams to New South Wales; but it must not be forgotten that on the other hand a decided reduction is made in the cost of telegrams to South Australia, Western Australia, and Tasmania. There will also be a gain in connexion with town messages; and, under the circumstances, I am prepared to accept the amendment proposed by the Government.

Mr. WINTER COOKE (Wannon).—I am sorry that the feeling of the committee seems to be against the proposal of the honorable member for Grampians. At any rate, the representatives of one State, which at present has the advantage of sixpenny telegrams within a certain radius, are very strongly against that proposal. I am afraid that if we permit differential telegraphic rates, the result may be that when at some future time it is sought to adopt a uniform tariff, we shall find very strong protests made on behalf of what I may call vested interests. We may find the residents of towns, which have the advantage of lower rates, contending that if there is to be a uniform tariff throughout the Commonwealth it must be that to which they have been accustomed. When it is remembered that beyond a certain distance from the centre of a city, a charge of 9d. is proposed to be made for a telegram, and a charge of 1s. for sending the same telegram into another State, no matter what the distance may be, how can it be said that the charge is being made in accordance with the services rendered?

Again, while it is proposed to send a telegram 5 miles for 9d, the same telegram can be sent 300 miles for the same amount. I think for the reasons I have given that the committee should support the amendment proposed by the honorable member for Grampians.

Question—That the words proposed to be omitted stand part of the schedule—put. The committee divided.

Ayes ...	...	...	...	32
Noes ...	...	...	...	11
<hr/>				
Majority ...	...	...	...	21

AYES.

Bamford, F. W.	McDonald, C.
Batchelor, E. L.	McEacharn, Sir M. D.
Bonython, Sir J. L.	McMillan, Sir W.
Brown, T.	Paterson, A.
Cameron, N.	Poynton, A.
Clarke, F.	Quick, Sir J.
Conroy, A. H.	Sawers, W. B. S. C.
Cook, J.	Smith, B.
Deakin, A.	Solomon, E.
Edwards, R.	Tudor, F. G.
Fowler, J. M.	Watkins, D.
Fysh, Sir P. O.	Watson, J. C.
Glynn, P. McM.	Wilks, W. H.
Groom, L. E.	
Hartnoll, W.	<i>Tellers.</i>
Kennedy, T.	Cook, J. H.
Mauger, S.	Fuller, G. W.

NOES.

Cooke, S. W.	Salmon, C. C.
Groom, A. C.	Skene, T.
Kirwan, J. W.	Wilkinson, J.
Manifold, J. C.	<i>Tellers.</i>
McColl, J. H.	Crouch, R. A.
O'Malley, K.	Ronald, J. B.

PAIRS.

<i>For.</i>	<i>Against.</i>
Kingston, C. C.	Thomas, J.

In Division :

Sir MALCOLM MCEACHARN.—No statement has been made during the division as to whether an extra charge is to be made upon words sent in code. I think the committee should be informed on that point.

Question so resolved in the affirmative.

Amendment negatived.

Sir PHILIP FYSH.—The committee having disposed of that matter, the time has come when I may bring definitely before honorable members the amendments which have already been suggested in the second schedule. Honorable members will see that there is no occasion to alter all the

headings of the columns in the schedule. I move—

That all the words in Part I. from the words "per word" down to and including the words "one shilling" be omitted, with a view to insert in lieu thereof, under the heading, "Town and suburban within prescribed limits," the words "including address and signature, not exceeding 16 words, 6d.; each additional word, 1d.;" under the heading, "Other places within the State," the words "including address and signature, not exceeding 16 words, 9d.; each additional word, 1d.;" and under the heading, "Inter-State, i.e., from any one State to any other State," the words "including address and signature, not exceeding 16 words, 1s.; each additional word, 1d."

Mr. JOSEPH COOK (Parramatta).—I strongly urge the committee to accept these proposals of the Government. They are essentially in the nature of a compromise. In some respects they involve a compromise in all the States, and in other respects they will mean concessions to all the States. For instance, in New South Wales we make some little concession in regard to our town rate, and in the case of Victoria some little concession is made in regard to the country rate. In actual operation these concessions will probably not be found to mean substantial monetary concessions, but, perhaps, the elimination of a word or two from the address or message. With regard to all the other States, there is a gain in the case of country messages. In Victoria there is a corresponding gain in the case of city messages. Of course the proposal involves an unequal rate in Victoria for the first time, but in that respect Victoria has stood alone amongst the States. There are concessions and advantages to be gained by every State under the proposal of the Government. It is a compromise, and I believe that under all the circumstances it is as good a compromise as can possibly be devised.

Mr. SALMON (Laanecoorie).—I have been surprised to hear that the honorable member for Parramatta, who has shown himself to be so strongly in favour of uniformity, making a plea for the introduction of a system which will destroy uniformity in the only State in which it exists in connexion with this matter, while it will perpetuate the lack of uniformity in the other States.

Mr. DEAKIN.—It is only for the book-keeping period.

Mr. SALMON.—I cannot help looking upon this proposal as a most severe blow at country industries. I honestly feel that an unfair advantage has been taken of the fact that a very large number of country members are not present on this occasion. I think that honorable members from the other States do not appreciate how unfairly this proposal will operate. The honorable member for Parramatta was at first under the impression that, under the proposal of the Government, an advantage will be given to the country, but he now finds that the country will suffer.

Mr. DEAKIN.—No; the country will not be charged any more than heretofore.

Mr. SALMON.—The honorable and learned gentleman was not here when the matter was debated; otherwise he would have known that it was proved conclusively that, under the Government proposal, the privilege at present enjoyed by country people in the State of Victoria is to be curtailed to the extent of at least two words in every message. I cannot look upon this as other than an attempt on the part of members representing great centres of population to benefit the people of those centres at the expense of the people of the country districts. At the present time no charge is made for addresses and signatures, but an additional charge is made for every word in the message exceeding ten. The Government propose to limit the number of words allowed for the address and the signature to eight, and I think that the limit should be at least ten, but I would be willing to accept nine as a compromise.

Sir PHILIP Fysh.—Seven is nearer the mark.

Mr. SALMON.—Then why do the Government propose eight. While it is easy to abbreviate addresses for city and suburban telegrams, where people are easily found, it is not possible to do so for country telegrams. Let me give a case in point. It seems to me that if a man were telegraphing to the country to accept an offer of employment there, a reasonable message would be—"Accept terms; leaving by first train tomorrow"—seven words. If that telegram were addressed to a contractor in Maryborough, the address would be something like this—"James Watson, Contractor, William-street, Maryborough, Victoria"—another seven words, without the name and address of the sender. I do not wish to be

accused of taking parochial or provincial views in this matter, and I have referred to the conditions existing in Victoria because I am better acquainted with it than with the other States, and the proposal of the Government takes away from those living in our country districts a benefit which they have hitherto enjoyed. With regard to the proposal to apply a special rate to town and suburban areas, I asked the Minister representing the Postmaster-General what constituted a town, and he told me that a definition would be prescribed by regulation. Since then he has informed me that a town is any settlement which has suburbs—a most remarkable definition.

Sir PHILIP FYSH.—I gave the honorable member two or three examples, such as Bendigo and Ballarat.

Mr. SALMON.—The honorable gentleman also mentioned Kyneton as an example. I urged that if the special rate for towns was agreed to, the areas to which it should apply should be determined on a population basis. The honorable gentleman told me that Kyneton had not sufficient population within its own boundaries to justify the extension of the privilege to it, but that when its suburbs were taken into account it would be qualified to benefit by the special rate.

Mr. SKENE.—What is a suburb?

Mr. SALMON.—A suburb, according to the derivation of the word, and in its usual acceptation, is an addition to a city; but there are suburbs in Melbourne which are themselves cities. The only right basis to go upon in this matter is the population basis. If we adopt any other, there will be endless trouble. I shall, however, oppose the proposals of the Government, because I regard them as unfair to those who live in the country districts.

Sir MALCOLM McEACHARN (Melbourne).—I intend to move the insertion of the word "eighteen." That, I think, will get over the difficulty which has been raised by the honorable member for Laanecoorie.

The CHAIRMAN.—The honorable member can do that when the amendment now before the committee, which provides for the creation of a blank, has been disposed of.

Mr. McCOLL (Echuca).—I am somewhat surprised at the readiness with which the proposals of the Government have been accepted, especially by country representatives. In speaking upon this subject, I am speaking

in the interests not merely of the residents of the country districts of Victoria, but of the residents of the country districts in all parts of Australia. We are told that we must agree to special town and suburban rates in Victoria, because the other five States are at present enjoying those rates, but that a uniform rate of 6d. throughout the States cannot be adopted because it would not pay. I should like to know if the sixpenny rate for town and suburban areas pays. If it does, there could not be much loss in extending it to the country districts, but if it does not pay, it is a gross injustice to charge the country districts 50 per cent. more to make up whatever loss is incurred. The residents in country districts are subject to quite enough disadvantages at present in their remoteness from centres of population, their want of facilities for intercourse, the distance which they have to go to get to post-offices, and the portorage which they have to pay on telegrams, without having to pay an additional 50 per cent. for their messages. If a difference must be made between the town and suburban and country rates, cannot a smaller difference than 50 per cent. be adopted? Would not a difference of 20 per cent. be sufficient to cover the extra cost of transmission? In my opinion, the people in the country should be put on the same level as those in the towns. I think that, like the acting leader of the Opposition, we are all doubting Thomases in regard to the accuracy of the estimate which places the loss of the department at £40,000. That estimate is mere guesswork, because it cannot be satisfactorily foretold what result will come from our new conditions. But let us err on the safe side. If it be thought desirable, however, to run the risk of loss, let us run that risk in respect to both town and country telegrams. Then if, after two or three years' experience of the rates adopted, the Government show that they cannot be made to pay, Parliament can be asked to increase them.

Mr. JOSEPH COOK.—Did not the honorable member say this morning that he would make the rates as high as possible?

Mr. McCOLL.—I do not want to see a loss in the working of the department, but I contend that whatever rates are adopted they should be uniform. Those who are prepared to vote for the Government proposals *en bloc* are putting an extra burden upon the people of the country, on whose behalf so much is said, and for whom so

little is done. I shall vote against those proposals.

Mr. SALMON (Laanecoorie).—The amendment which the honorable member for Melbourne intends to move will not remove the grievance to which he has called attention. I desire to obtain some concession for country residents. If I fail to secure the approval of the committee to the amendment of which I have given notice, I should like to see the zone system established, so that it might operate from centres fixed upon according to population. I should not be in favor of making every small telegraph office a centre, but perhaps the zone system might be applied to townships having 1,000 inhabitants and upwards.

Mr. FOWLER.—That would still give a preference to the large centres of population.

Mr. SALMON.—No doubt it would, but, as I have before stated, my first object is to secure a uniform rate. If it could be managed, I should be pleased to see a uniform rate adopted for telegrams, including Inter-State messages, from one end of Australia to the other. I had to vote against a uniform system of postage, because the information supplied to us showed that it would involve a very heavy loss; but we cannot obtain satisfactory returns with reference to telegrams. We are told that 6d. telegrams would not pay, and no doubt the revenue would suffer at the outset; but by the time that the book-keeping period was at an end, the revenue would recover. I believe, moreover, that an Inter-State rate of 1s. per message would show payable results, even before the end of the bookkeeping period. I join with the honorable member for Echuca in protesting against country residents, and those who do business with the country, being penalized to the extent of 50 per cent. over the rates charged for telegrams in the city and suburbs. The merchants in the cities would gain more in proportion than would the actual residents in the country by a reduction in the rate for country telegrams, because the additional facilities provided would be availed of to the greatest extent by business men.

Sir WILLIAM McMILLAN.—It is the business people in the city who make the telegraph service pay.

Mr. SALMON.—I admit that the residents in the large centres of population are the biggest customers of the Telegraph department, but they are not contract cus-

tomers, and they send their telegrams for purely business reasons, and with a view to make a profit out of them.

Sir WILLIAM McMILLAN.—Why does the honorable member gird at business men?

Mr. SALMON.—I am not girding at business men. I am speaking more particularly about the special advantages enjoyed by the people who are gathered together in the large centres of population. This section of the community has not had more consideration than it deserved, but the advantages conferred have been altogether out of proportion to those extended to country residents. It cannot be urged that ninepenny telegrams have not proved payable in Victoria, and any loss that occurs must be attributed to the sixpenny rate. It would almost seem that the Government were anxious to recoup any losses involved by the sixpenny telegrams out of the profits made upon the higher-priced messages sent through the country. We are not asking that one section of the community should be benefited at the expense of another, but simply that fair and equitable treatment shall be extended to the people who live in the country. Those who are scattered throughout the sparsely-populated districts are especially deserving of consideration at the present time, because, owing to a series of unfortunate seasons, they are less able than formerly to bear the burden of taxation.

Mr. JOSEPH COOK.—Does the honorable member say that the addition of two words makes all the difference to the country people?

Mr. SALMON.—No, I do not; but I contend that an unfair distinction is being made. Rather than adopt the change now proposed, I should prefer a uniform rate of 9d. for both town and country.

Mr. JOSEPH COOK.—That is all that the honorable member wants.

Mr. SALMON.—No. On the contrary, I shall vote for a uniform rate of 6d. if the honorable member is prepared to propose it. I should, however, prefer a 9d. rate rather than that an invidious and unfair distinction should be made to the disadvantage of residents in the country. I cannot understand why honorable members, who represent country districts in Victoria and other States, are so blind to the interests of their constituents that they are prepared to sacrifice them and to submit to their being called

upon to pay more than their fair share of any losses that may be incurred.

Sir JOHN QUICK (Bendigo).—I should like some explanation from the Minister as to the extent to which the sixpenny telegram system is to be applied. Is it intended that sixpenny telegrams shall be enjoyed exclusively by residents in the metropolitan centres?

Sir PHILIP FYSH.—No.

Sir JOHN QUICK.—Then I should like to know to what extent the cheap rates are to be applied in the country districts. I am as much interested as are my honorable friends who have just spoken, in obtaining concessions for residents in the country. I pledged myself to support the zone system, but I find that that cannot be applied at present. There are a large number of towns throughout Victoria, New South Wales, and other States to which the sixpenny telegram system might be applied. For instance, there are such places as Ballarat, Bendigo, Geelong, and Launceston, and many others might be also suggested. The power to make regulations prescribing the limits within which the rates for town and suburban telegrams shall have effect is vested in the Governor-General in Council; but I think it would be advisable to include in the Bill some provision which would indicate the limits within which these powers are to be exercised. If the sixpenny telegram system is to be applied to all cities, towns, and boroughs, with fairly populous surroundings, and a sufficient number of telegraph stations to justify special arrangements, a valuable concession would be made, but I should not vote in favour of the system being restricted to metropolitan centres only.

Mr. DEAKIN.—It is not intended to limit the town and suburban rates to metropolitan centres only. It is proposed to embrace every township which is associated with what may properly be termed suburbs—places in which those engaged in business and trade reside beyond the boundaries of the town itself. Every such place will be entitled to consideration. It is impossible to fix an exact limit as to distance, because everything will depend upon the circumstances of the town and its surroundings.

Mr. JOSEPH COOK.—The matter should be dealt with on the basis of revenue, and not of distance.

Mr. DEAKIN.—The revenue is not the only consideration. The idea is that the

system should be applied to townships having suburbs in direct communication, and where a community of interest exists between the residents in the town and the immediate surroundings. This would be partly determined by the existence of telegraph stations, because a sixpenny telegram system could not be applied to places where there is only one station.

An HONORABLE MEMBER.—Would the system be applied to the area embraced within a 10 miles radius of the townships?

Mr. DEAKIN.—In some instances undoubtedly. I am told that in New South Wales a very large number of towns are brought within the operation of the sixpenny telegram system. Thirteen miles happens to be the radius adopted there. It is not proposed to adopt any absolutely fixed rules, but to study the general circumstances of the settlements.

Mr. JOSEPH COOK (Parramatta).—If the Minister will permit me, I might explain that in New South Wales they have adopted a 13 miles radius, but within that radius there must be collected an annual revenue of £2,500 per annum.

Sir JOHN QUICK.—That would be prohibitive.

Mr. JOSEPH COOK.—It would not be so prohibitive as the honorable and learned member seems to think. These radii are dotted all over New South Wales, and nearly the whole of the State is embraced by them. No difficulty is experienced in the application of the sixpenny telegram system. It would be unfair to take any particular centre without considering its immediate surroundings. The township forming the centre might return a revenue of only £1,000 per annum, and the business transacted in the area embraced within the 13 miles radius outside of the township might not yield an income of more than £500 per annum. On the other hand, the centre might have only £500 of revenue, while the rest of the area made up the £2,500. Therefore, the Attorney-General must see that he had better proceed upon the basis of revenue, rather than upon that of area, unless every post-office be made the centre of a zone.

Mr. DEAKIN.—Nothing that I have said excludes such a case as that to which the honorable member has referred. The officials tell me that the difficulty is that they wish, from the practical basis which has been established in New South Wales,

together with a study of the natural conditions of the other States, to fix upon the areas within which there exists a natural community of interest sufficient to justify the Postmaster-General in considering them as centres to which this system should be applied. But there need not be the same anxiety in this respect, because a list of these centres will be published, and it will be open to this House from time to time to review and criticise it. Parliament will have the power of seeing that all places which ought properly to enjoy this privilege do so. There is no doubt that centres of the size of Bendigo will be included. I am told that in New South Wales the system is applied to very much smaller townships. The system is by no means limited to the metropolis. The intention is that it shall apply to numerous areas throughout the country.

Mr. A. McLEAN (Gippsland). — I regret that I cannot follow the proposal of the Government to make distinctions between certain favoured localities and the rest of the States. It appears to me that that proposal is in keeping with almost every other move we have made in the direction of discouraging people from becoming producers, and of driving them as far as possible into the favoured centres of population. Why should we make this distinction? So far as the working of the lines is concerned, it is just as cheap to send a message from Melbourne to Ballarat as it is to transmit one from Parliament House to the General Post-office. Of course, there is a difference in the first cost of the construction of the lines, but are we to levy blackmail for all time upon country residents, simply because they have had sufficient enterprise to settle there? It is exceedingly unwise for us to endeavour by every means in our power to put burdens upon the country people. No doubt, before long the telegraph wires in the city will have to be placed underground, and that work will cost just as much as would the construction of a long line in the country. Yet it is proposed that city residents should be able to transmit messages over short lines for 6d., whilst the producer in the country is to be charged 9d. for a similar privilege. I would further point out that in connexion with railways country residents are more heavily taxed than are the inhabitants of the city. If a man in the country sends a truck of stock or produce to the

city, he has to pay freight; and similarly if he obtains a truck of goods in return, he has again to pay the cost of carriage. The city resident does not contribute anything in that respect. He does not pay for the transit of produce from the country.

Sir MALCOLM McEACHARN.—He has to pay it indirectly when he purchases his meat.

Mr. A. McLEAN.—The honorable member is wrong. Cattle from the furthest end of the States are sold in competition with stock which have never been trucked at all. The man who sells his produce does not get a farthing more for it, because of the amount of carriage which he has had to pay upon it. I see no justification whatever for the proposal, and I hope that the Government will not persist in it. If a sixpenny rate all round will not pay, I trust that some intermediate charge will be adopted which will enable the same principle to be applied alike to town and country.

Mr. SKENE (Grampians).—The reply of the Attorney-General to the honorable and learned member for Bendigo has emphasized the wisdom contained in my proposal to omit the words "town and suburban." Had that proposal been adopted, no difficulty could have arisen. The Attorney-General spoke of "townships and their suburbs," but I do not know of any suburbs in Victoria outside of Melbourne, Ballarat, Bendigo, and Geelong. I am sorry that the honorable member for Parramatta has left the Chamber. He has argued that the adoption of a lower rate will produce a larger revenue in the towns than will a higher rate. Yet, in an amendment of which he has given notice, he proposes that a sixpenny rate shall apply within a radius of 600 miles. Does he say that the revenue within that radius is likely to be increased by the adoption of a sixpenny telegraph rate? Six hundred miles represents double the distance between Melbourne and the boundary of New South Wales. If we are to accept his authority that the lower rate will produce a larger revenue in the towns, it is fair to assume that it will also produce similar results in the more thickly populated districts. I feel so much the injustice which it is proposed to inflict upon the country districts in connexion with this matter, that, if a proposal were made for the adoption of a sixpenny State rate, I should support it. There is not the shadow of an argument in favour of

considerations of distance. The Minister representing the Postmaster-General has declared that town messages return a greater profit than do country messages. He admitted that he had no official authority for his statement, the accuracy of which I very much doubt. Under the circumstances, I fail to see how the honorable member for Parramatta can consistently argue against the extension of a sixpenny rate to the whole of a State.

Mr. JOSEPH COOK.—I never have argued against it.

Mr. SKENE.—Then I hope that when a proposal is submitted in favour of a sixpenny State rate, the honorable member will support it.

Mr. HARTNOLL (Tasmania).—My interests are very largely centred in the country districts. For many years I have been more intimately associated with the agricultural industry of Tasmania than with any other. Therefore I am not likely to do anything which would in any way prejudice the interests of the producers. The reason why I draw a distinction between the city and suburban rates, and those applicable to the States, is that within the metropolitan area a very large expenditure upon the construction of telegraph lines has been incurred. It is purely from a revenue point of view that I recognise that a distinction should be made. Seeing that this large expenditure has been incurred, it would be useless to impose a rate which would prevent people within the metropolitan area from taking advantage of the conveniences afforded them. If the rate be made too high, merchants will employ a boy on a bicycle, and run their messages from one centre to another within a small area, and the Commonwealth will be depleted of a very considerable amount of revenue. It is purely from a commercial stand-point, and in order to guard the revenue of the Commonwealth, that I in this instance support the Government in what I regard as a very clean-cut proposal, which is easily understood, and which, in many cases, will give country residents a great concession. When we consider that in the future we shall be able, at a charge of 1s., to send a telegram from Melbourne to Thursday Island, a distance of something like 5,000 miles, surely we may regard that as a step in the direction of extreme liberality. If we closely analyze the proposal of the Government, we find that

the advantages are largely in favour of the domestic sender as compared with commercial senders. Those engaged in commercial pursuits have perforce to send much longer telegrams than are usual in domestic life. There may be a little bit of jugglery, seeing that the original proposal was ¾d. for every additional word, and that it is now 1d., and in a lengthy telegram it will be found, in many instances, that the charge is as much, or considerably more, than under the original proposal. But taking it all round, I regard the compromise as very reasonable, and one that ought to be generally accepted by the committee.

Mr. JOSEPH COOK (Parramatta).—I should like to reply to some statements made by the honorable members for Gippsland, Echuca, and Laanecoorie concerning the great disadvantages under which country residents are supposed to labour. I know well the general disadvantages which attach to country life; and I am as keenly anxious as any honorable member to place country residents on an equality with those in the towns. We are considering this proposal on the basis of services rendered; and I contend that it is not proposed to give to the city anything which is not also given to the country. It is proposed to make city and suburban areas in both town and country.

Mr. WINTER COOKE.—How does the honorable member define a suburb?

Mr. JOSEPH COOK.—The fairest way is to define it on a revenue-producing basis. I do not believe in giving big towns any advantage over small towns; and it is in that connexion that my suggestion will operate. If a number of country places can be formed into a certain area they are as much entitled to concessions as are the great towns, and I see no difficulty in the matter. I take it that if the city man wants to telegraph to the country he must pay 9d., and so with the country man who wants to telegraph to the town. It is a reciprocal arrangement; and in the country, over a given area, the same advantages will be enjoyed as in the cities and suburbs. If it were intended to make the country resident pay 9d. for every telegram he despatched, it would be a different matter. Personally, I should like to see a uniform rate of 6d., but that is not the desire of the honorable member for Echuca.

Mr. McCOLL.—The honorable member has no right to say that.

Mr. JOSEPH COOK.—The honorable member for Echuca said he wanted the rate to be as high as possible so long as it was uniform.

Mr. McCOLL.—The honorable member is saying what is untrue.

Mr. JOSEPH COOK. — The honorable member said that he wanted the highest rate he could get, having regard to the revenue. Of course, we cannot get a uniform rate of 9d., and the honorable member does not want a uniform rate of 6d.

Mr. McCOLL.—That is not correct.

Mr. JOSEPH COOK. — Did the honorable member this morning not advocate a uniform rate of 9d. ?

Mr. McCOLL.—I did not. I said I would sooner have a rate of 9d. than see any loss.

Mr. JOSEPH COOK. — That is practically what I say — the honorable member wants to level up the rates to a uniform basis. Our object, on the other hand, is to have the rates as low as possible.

Mr. CROUCH (Corio).—I am not with the last speaker in his description of those honorable members who desire a uniform rate for Victoria; but I am a country member and have to look after country interests. We ought to have a local rate such as is proposed; but it would be absurd, when all the other States have town and suburban rates, to attempt to raise the rate to 9d. My desire is to give equal treatment to the town and country, and I suggest that after the word "suburban" the words "or within twenty miles from the sending station" be inserted. This would give the advantage of the sixpenny rate to country towns which are in proximity to each other. It would make the population of each area in the Commonwealth receive similar and equal treatment to those living in another equal area.

Mr. JOSEPH COOK.—That is the proposal of the Government, except as to fixing the limit.

Mr. CROUCH.—The Government have not yet even suggested it. We heard from the honorable member for Parramatta the other night that in New South Wales there is a local postage rate operating within a radius of thirteen miles, and the same principle could be applied to the telegraphic service. This would leave the sixpenny rate in Sydney, Brisbane, and other large centres, and, at the same time, would give an equal privilege to country residents. If the Minister reserves the power to define

what is a town, he will be pestered by deputations, which will want every small centre declared a "town," and so constant political pressure will be put on him, and he will thereby create a great deal of trouble for himself. There are business men in small centres who are as much entitled to consideration as are business men in the cities. The honorable member for Wentworth, when the honorable member for Laanecoorie was speaking, interjected that it is the business men who make the telegraph service pay; and I think that is correct. In Bacchus Marsh, which I can take as a fair example of an Australian country town, there are 500 or 600 people, and 30 or 40 shops; and the business men there should have equal rights with the business men in Prahran, Collins-street, or South Melbourne. The same remark may be made of many Gippsland centres which could not possibly be described as towns with suburbs, but which should have the advantage of a system such as I have suggested, and which I trust the Government will grant.

Mr. McCAY (Corinella).—In default of a uniform rate for the whole of each State, which I should much prefer, I think there is a great deal of force in the suggestion of the honorable and learned member for Corio. If that suggestion were adopted the administration would be relieved of a great deal of pressure, and from possible charges of unjust discrimination. If it be left to the Minister to define towns, varying reports will be made by the officers of the Postal department as to the paying or non-paying character of the proposals made, and endless trouble will be created. I venture to say that there is not a township in Australia that would not ask, and properly ask, to be regarded as a centre in this connexion. The Minister will find it very difficult indeed to draw a distinction between granting a privilege to all and granting it to none except cities. If he granted it only to the latter, all the alleged equality of treatment for the country would disappear altogether. I therefore trust that the Minister will accept the suggestion of the honorable member for Corio, which, while it does not go as far as I should like, will meet the difficulty. When the Postal Bill was under consideration, a considerable number of members, including myself, objected to the postal and telegraph rates being left a matter for regulation. The House was then practically unanimous in

saying that an important question of the kind should be determined by Parliament, and not by an administration for whom the only punishment would be ejection from office—a punishment which might be entirely disproportionate. The proposal before us is merely another phase of the same question. We are asked not only to leave the rates to be determined by regulation, but, worse than that, to be determined in individual instances. A regulation has at least the appearance of generality, but we are now asked to go further in a wrong direction. If the House previously would not permit the administration, by regulation, to determine postal and telegraph rates, we ought to be consistent, and again refuse the power. The suggestion of the honorable and learned member for Corio is consistent with what has already been determined by the House in the Postal Bill, and it ought to be accepted by the Government. I am sure that every honorable member who opposes a uniform rate for town and country alike will agree that the honorable and learned member for Corio has suggested a sensible way of settling the matter.

Amendment (by Mr. CROUCH) proposed—

That the amendment be amended by the insertion after the word "suburban" of the words "or within 20 miles from the sending station."

Sir JOHN QUICK (Bendigo).—I think that the proposal of the honorable and learned member for Corio is worthy of consideration. It will be an unfortunate thing if in our legislation we make a discrimination between town and suburban areas and country areas. Any discrimination that is made should be based upon distance, so that it may not appear that special concessions are being granted to aggregations of population. I agree with the honorable and learned member for Corinella that the Executive will be given an almost insoluble problem to determine if they have to decide in what cases the sixpenny rate shall apply, and in what cases it shall not apply. There is no statutory definition of a town or a suburb, and therefore the application of town and suburban rates would depend upon the personal view of the Minister at the head of the department, which, of course, would be subject to the representations made to him, and the information at his disposal. It would be a graceful concession to country views and interests if a discrimination based upon distance were substituted for the discrimination now provided for.

Mr. DEAKIN.—It is very difficult to obtain data which would enable us to say with confidence what the exact financial effect of these proposals would be. We can estimate that effect only from the experience which has been gained in New South Wales, where a thirteen-mile limit has been in operation. Both the other proposals which have been submitted by the Government mean an immense reduction in the telegraphic rates at present prevailing throughout the Commonwealth. We have reduced the maximum Inter-State rate from 4s. to 1s. That is a reduction which will operate largely in the interests of the country districts, by cheapening their communication with the centres of population which they supply, and with which they do business. But in order that it may not be felt that the various parts of the Commonwealth are not sharing alike in the advantages which are being given, we are ready to accept, though with some hesitancy, the proposal of the honorable and learned member for Corio, if he will agree to the reduction of the distance from twenty miles to fifteen miles.

Mr. CROUCH.—I understand that the Sydney suburban radius within which the sixpenny rate applies is fifteen miles.

Mr. JOSEPH COOK.—No; thirteen miles.

Mr. CROUCH.—Then I will accept the compromise offered by the Attorney-General.

Amendment of the amendment amended accordingly.

Mr. MCCOLL (Echuca).—I do not intend to oppose the proposal of the honorable and learned member for Corio, but I do not wish honorable members to think that I intend to abandon my proposal for the adoption of a uniform rate of 6d. I intend to move the amendment of which I have given notice, and to press it to a division.

Mr. SKENE (Grampians).—I am surprised to hear the Acting Prime Minister say that the reduction of the Inter-State rates is chiefly of advantage to the country districts.

Mr. DEAKIN.—It is of advantage to the whole community, including the residents in the country districts.

Mr. SKENE.—The honorable member for Tasmania, Mr. Hartnoll, also took the view that the reduction in the Inter-State rates will chiefly benefit the residents in the country districts; but the fact is, that

in many places country residents will have to pay the maximum rate of 1s. for the transmission of telegrams for distances not much further than from one end of Bourke-street to the other.

Mr. DEAKIN.—That is because of the bookkeeping sections of the Constitution.

Mr. SKENE.—With regard to the proposal of the honorable and learned member for Corio, I think that, as we cannot arrange for the application of a suburban rate to the smaller country towns, it is reasonable that we should agree upon a rate which will be applicable to the small townships which are in business communication with some larger centre. Throughout Victoria there are towns which may be regarded pretty well as county towns. Market days are observed there, stock sales are held there, and they are general centres for business. It would be of great advantage to give the people residing in the smaller townships around these larger towns the advantage of cheap rates, so far as their telegraphic communication with the larger towns is concerned; but I think that, to be of any advantage, the radius provided for in the amendment should be increased from 15 to 25 miles. That extension is certainly necessary to cover the cases which I have in my mind in which I think the convenience should apply.

Mr. O'MALLEY (Tasmania).—I am of opinion that the distance should be increased to 25 miles. This is a matter of importance to the electors on the West Coast, because it is 21 miles from Strahan to Zeehan, and 25 miles from Zeehan to Queenstown. Why should a discrimination be made between the citizens of the Commonwealth in violation of the provisions of the Constitution?

Mr. SALMON (Laanecoorie).—It seems to me that the Government are offering a concession which is practically worth nothing. The 15-mile radius which they are willing to concede is practically no more than the suburban limitation. Towns like Bendigo, Ballarat, Castlemaine, and Maryborough, get no additional advantage from the adoption of the 15-mile radius. I am in favour of a uniform rate. The benefit intended to be conferred upon residents in the country by fixing the radius at 15 miles is quite illusory.

Mr. DEAKIN.—It will represent a very real concession to residents in the country districts.

Mr. SALMON.—I do not think so. I feel bound to do what I can to prevent the country residents from being subjected to an unfair charge.

Mr. DEAKIN.—No new charges are being made, but the Government proposals represent a very great reduction.

Mr. SALMON.—If a 25-mile radius were decided upon it might confer some benefit upon residents in the country, but the limit now suggested would be of no use. I would urge the Acting Prime Minister to consent to make the further concession suggested.

Mr. DEAKIN.—I cannot possibly do so.

Mr. FOWLER (Perth).—I think that the Government are treating the country members in a very generous spirit. A 15-miles radius would not suit everybody, nor would even one of 25 miles, but if residents in the country are able to send telegrams for a distance of 14½ miles from any given centre at sixpenny rates, they will be placed in a position of far greater advantage than at present.

Mr. WINTER COOKE (Wannon).—In order to show that some benefit has been conferred upon the residents in the country districts of New South Wales by the adoption of the sixpenny telegram system within a 13 miles radius of certain centres there, I might point out that something like 300 places outside of Sydney are benefited. Although I should personally prefer to see an extension of the radius I think we might fairly accept the proposal of the Government.

Amendment of the amendment agreed to.

Sir MALCOLM McEACHARN (Melbourne).—I move—

That the amendment be amended by the omission of the figures "16," with a view to insert in lieu thereof the figures "18."

I had intended to withdraw my amendment in order to enable the honorable member for Echuca to propose the adoption of a uniform rate of 6d., which I was prepared to support. I think, however, that the Government have met the committee very fairly, and that it would be unjust to press them any further in that direction.

Question.—That the figures "16," proposed to be omitted, stand part of the proposed amendment—put. The committee divided.

Ayes	...	...	27
Noes	...	...	15
			—
Majority	...	...	12

AYES.	
Batchelor, E. L.	Manifold, J. C.
Clarke, F.	Mauger, S.
Cook, J.	McColl, J. H.
Cook, J. H.	McMillan, Sir W.
Cooke, S. W.	Paterson, A.
Deakin, A.	Phillips, P.
Fowler, J. M.	Ronald, J. B.
Fuller, G. W.	Sawers, W. B. S. C.
Fysh, Sir P. O.	Tudor, F.
Glynn, P. McM.	Watson, J. C.
Groom, L. E.	Wilkinson, J.
Hartnoll, W.	<i>Tellers.</i>
Kennedy, T.	Smith, S.
Mahon, H.	McCay, J. W.

NOES.	
Bamford, F. W.	O'Malley, K.
Brown, T.	Quick, Sir J.
Crouch, R. A.	Salmon, C. C.
Edwards, R.	Skene, T.
Groom, A. C.	Solomon, E.
Kirwan, J. W.	<i>Tellers.</i>
McDonald, C.	Conroy, A. H.
McEacharn, Sir M. D.	Wilks, W. H.

PAIRS.	
<i>For.</i>	<i>Against.</i>
Kingston, C. C.	Thomas, J.
Bonython, Sir J. L.	Knox, W.
Poynton, A.	McLean, A.

Question so resolved in the affirmative.

Amendment of the amendment negatived.

Mr. McCOLL (Echuca).—I move—

That the amendment be amended by the omission of the word “ninepence,” with a view to insert in lieu thereof the word “sixpence.”

I thoroughly agree with the view taken by the honorable member for Laanecoorie that the Government proposals, in their present form, will confer very slight, if any, benefits upon the country residents. The sixpenny telegram system could not be applied with any advantage, except in places where there are several telegraph stations within 15 miles of the centre selected for the operation of the system. That happens in very few cases. If we are to make any reductions they should apply all round, and the rate adopted should be uniform throughout the State.

Mr. DEAKIN.—If the professional advisers of the department could indorse such a proposal as that made by the honorable member, it would be received with the greatest approbation, not only by the Government, but by honorable members generally. The steps we have already taken, however, are regarded by them with grave apprehension, and they believe that the adoption of a uniform rate of 6d. would involve a heavy loss which the States could not afford to incur. It is on that ground

alone that we oppose the proposal. I hope, however, that the zone system will be adopted as soon as the bookkeeping period has expired.

Question—That the word “ninepence” proposed to be omitted stand part of the proposed amendment—put. The committee divided.

Ayes	...	...	...	26
Noes	...	...	...	15
Majority				11

AYES.	
Bamford, F. W.	Mauger, S.
Batchelor, E. L.	McDonald, C.
Clarke, F.	McMillan, Sir W.
Cook, J.	Paterson, A.
Cook, J. H.	Ronald, J. B.
Deakin, A.	Sawers, W. B. S. G
Edwards, R.	Smith, S.
Fowler, J. M.	Tudor, F.
Fysh, Sir P. O	Wilkinson, J.
Glynn, P. McM.	Wilks, W. H.
Groom, L. E.	<i>Tellers.</i>
Hartnoll, W.	Fuller, G. W.
Kennedy, T.	Watson, J. C.
Mahon, H.	

NOES.	
Brown, T.	Phillips, P.
Cooke, S. W.	Quick, Sir J.
Crouch, R. A.	Salmon, C. C.
Groom, A. C.	Skene, T.
Kirwan, J. W.	Solomon, E.
McColl, J. H.	<i>Tellers.</i>
McEacharn, Sir M.	Conroy, A. H.
O'Malley, K.	McCay, J. W.

PAIRS.	
<i>For.</i>	<i>Against.</i>
Poynton, A.	Thomas, J.
Bonython, Sir J. L.	Knox, W.
Kingston, C. C.	McLean, A.

Question so resolved in the affirmative.

Amendment of the amendment negatived

Amendment agreed to.

Amendment (by Sir PHILIP FYSH) proposed—

That the following words be inserted after the table of rates in Part I. :—“On telegrams from and to Tasmania the charges to be those mentioned above, with cable charges added.”

Mr. McCOLL (Echuca).—I should like some explanation as to what this extra charge means. In the past there has been no such charge made in connexion with the Tasmanian cable.

Mr. DEAKIN.—Always.

Mr. McCOLL.—I was under the impression that at the present time the ordinary Inter-State charge obtained. At all events I should like to know the reason for the extra rate.

Sir PHILIP FYSH.—The object of the amendment is to continue the present system. Hitherto the cable rate between Victoria and Tasmania has been 1s., but hereafter we are hopeful that it will be reduced to 6d. Upon a former occasion I explained that the cable company, under the clause which enables them to charge for services rendered, was recovering about £10,000 a year, but the Government have the power to reduce the rate at any time so long as the company receives not less than £5,600 a year. The agreement made between the Tasmanian Government and the Eastern Extension Cable Company contains a clause by which the company are entitled to receive, for services rendered, not less than £5,600 per annum. When that sum has been assured to the company, the Tasmanian Government—with the concurrence of the company—can reduce the charge, which has hitherto been 1s., to such a rate as will continue to return to the company not less than £5,600 per annum. The object in adding the words proposed to the schedule is to enable the Postmaster-General to collect such a rate as may be agreed upon between the Tasmanian Government and the cable company, which in the future, it is presumed, will be 6d. instead of 1s.

Mr. HARTNOLL (Tasmania). — We have in the Constitution what is familiarly known as the "Braddon blot." In connexion with this Bill it is proposed to repeat that mistake and to have a "Fysh blot." The Minister representing the Postmaster-General has told the committee that the Eastern Extension Company is guaranteed £5,600 per year by the Tasmanian Government, but that statement is scarcely correct. It is jointly guaranteed by the Tasmanian and Victorian Governments.

Sir PHILIP FYSH.—The Victorian Government are not responsible unless a loss has been incurred.

Mr. HARTNOLL.—That is so. Victoria and Tasmania jointly divide the loss, and, therefore, they are equal guarantors. We hear a great deal about uniformity in these matters, and about the necessity which exists for preserving the federal sentiment. If these are merely empty words the amendment will be accepted; but if, on the contrary, they have some significance, the Commonwealth will come to the rescue of the smaller States by taking over Tasmania's liability to loss in this connexion. Those who study Tasmanian politics are aware

that, owing to the Tariff alterations which have been made, the finances of that State are in a somewhat unsatisfactory condition, and that in endeavouring to carry their new taxation proposals, in order to meet the exigencies of the time, the Lewis Government have just suffered defeat. It is the duty of this Parliament to aid Tasmania in every possible way. If the Acting Prime Minister desired to exercise that liberal spirit which he has hitherto exhibited in connexion with this Bill, he would have risen long ago, and declared—"We wish to preserve the federal spirit which sways the whole of the people of this continent, and we mean to take upon our shoulders this small financial load, and to place Tasmania upon the same footing as that occupied by all the other States."

Mr. DEAKIN.—The States have declined to authorize the adoption of that course.

Mr. HARTNOLL.—The people of Victoria and New South Wales would derive equal advantages with Tasmania if the cable rate were reduced. There is a very considerable agricultural and general commercial business between Tasmania and Victoria and New South Wales.

Mr. DEAKIN.—These two States were willing to share, but the other States were not willing, and so an arrangement was impossible. This is again a matter of the bookkeeping, and the other States objected to bear any proportion.

Mr. O'MALLEY.—Could a sum not be placed on the Estimates to meet the loss?

Mr. DEAKIN.—Then it would fall on the States which object. Unless this provision goes into the Bill, Tasmania will have to bear the whole.

Mr. HARTNOLL.—Do I understand the Acting Prime Minister to express the opinion that, unless this provision be inserted, Tasmania will have to bear the whole?

Mr. DEAKIN.—Yes.

Mr. HARTNOLL.—That is an absolutely new proposition. I have always understood from the press of Tasmania that, as matters stand at present, that State is bearing the whole loss.

Sir PHILIP FYSH.—There is no loss.

Mr. DEAKIN.—The people pay the charge now, but if there were a loss Tasmania would have to pay it.

Mr. HARTNOLL.—In order to bring Tasmania into line, the Treasurer of that

State in his financial statement would have to show a loss, and it is in order that a loss may not have to be shown that I now appeal to honorable members to go as far as possible in the direction of remedying an absolute defect in the present arrangement.

Sir WILLIAM McMILLAN.—There is no loss now, and there cannot be a loss in the future with increasing business.

Mr. HARTNOLL.—But if the rate in Tasmania be reduced to 6d., or Tasmania is placed on an equal footing with the rest of the Commonwealth, that State will have to bear a proportion of the loss in conjunction with Victoria.

Sir PHILIP Fysh.—That is so, if there be any loss over the £5,600.

Mr. HARTNOLL.—We understand that. But if the Commonwealth assumed the position occupied to-day by Victoria and Tasmania, cablegrams could go between the latter State and any part of the mainland at the same rate as telegrams are carried from one part of the mainland to another. It is with the desire to bring about uniformity that I ask the committee to go as far as they can in placing Tasmania on an equal footing with the rest of the States.

Mr. WATSON (Bland).—Every member of the Chamber would, I think, be very glad to pass the Bill in such a shape as to allow the people of Tasmania to send telegrams to the mainland at the same rate as that for which they can be sent similar distances in other parts of the continent. So far as I understand the situation, the trouble is that, if we pass such a proposition, Tasmania will, under the bookkeeping sections, have to make good any deficiency. I should be quite willing for the Commonwealth to shoulder the responsibility if the bookkeeping sections would allow it. I had a long chat some time ago with Mr. Bird, the Treasurer of Tasmania, and he took a very strong position against the suggestion to charge the uniform rate on telegrams. He said that the finances of Tasmania were in such a condition, notwithstanding the measure of prosperity alluded to by the honorable member who last spoke, that they could not stand an additional charge of £5,000, or maybe a little more, which it was anticipated would result in a reduction of the rate to 1s. Therefore I take it that the appeal is made on behalf of the people of Tasmania to continue the present rate, or something approximating to it, until the bookkeeping

period is exhausted. We shall then be able to adopt a uniform scale, and the Commonwealth will have to shoulder any loss which may result. A matter of £4,000 or £5,000 to the Commonwealth as a whole would be nothing if the Constitution would allow the loss to be shared amongst the rest of the States. To Tasmania such a loss is somewhat important, and, from all the estimates we have had so far, it is not likely that the reduced rate will result in an increase of business sufficient to make up for the loss which seems to stare Tasmania in the face. If honorable members who represent Tasmania are satisfied that the people of that State are willing to shoulder the responsibility, I shall vote for the lower rate. I, for one, shall follow the votes of the honorable members for Tasmania.

Mr. DEAKIN.—I may remind the committee that the whole question was recently considered at the conference of Premiers in Sydney, where a resolution was unanimously carried that the responsibility of Tasmania in this matter should, as new expenditure, be shouldered by the Commonwealth, and shared amongst the different States. In order to give effect to the resolution, the Commonwealth Government placed themselves in communication with the States Governments; but by that time three of the States had changed their minds. The agreement made at the Premiers' conference was conditional on all the States coming in, and as three States declined, there was nothing for it but to ask Tasmania to leave the original proposal in the Bill, in order that the whole cost might not fall on that State.

Mr. HARTNOLL.—Which were the three States?

Mr. DEAKIN.—Their names were published, and I have sent the correspondence to the Premier of Tasmania. Under the circumstances, there is no choice but to either let Tasmania pay the whole, or make the provision now proposed.

Mr. O'MALLEY (Tasmania).—The members for Tasmania cannot possibly take the responsibility of agreeing to that State bearing the whole loss. The Attorney-General speaks as though the Commonwealth were a confederacy, and not a federation.

Mr. DEAKIN.—It is a financial confederacy until the bookkeeping period expires.

Mr. O'MALLEY.—Then we have a sort of improvised Jeff Davis show.

Amendment agreed to.

Mr. SALMON (Laanecoorie).—I move—

That the following words be added to the schedule:—"Telegrams of public interest giving notice of bush fires or floods affecting or likely to affect large tracts of country, to be free."

I gave notice of this amendment at the request of the honorable member for Riverina, who takes a great interest in the question. It has been the custom in, at any rate, one of the other States to give every facility for sending word of these great national disasters to people unaffected at the time, but who may be affected, thus enabling them to make provision. The cost would be very small—I trust nothing at all—and the Government may see their way to accept the amendment.

Sir PHILIP FYSH.—I cannot accept any amendment which will continue the practice of franking either postal communications or telegraph messages. We have already decided, by clause 5, that even Government correspondence must pay the rates prescribed, in order that the department may be able to show what it earns. If a concession be allowed to any body of individuals, in respect of matters local or otherwise, each State which is interested must make provision for paying the department for the concession. The Postmaster-General is not in a position to advise me that any exceptions can be made.

Mr. SALMON (Laanecoorie).—I am rather surprised at the attitude assumed by the Government, seeing that they agreed to an amendment providing for a substantial reduction on the rate for the carriage of materials for the blind. My amendment involves very small expense, and cannot be regarded as a breach of the rule, such disasters being, not of State, but of national concern. The object is to prevent local disasters becoming national.

Amendment negatived.

Sir MALCOLM McEACHARN (Melbourne).—Can the Minister inform me exactly what the rate in the future will be to Tasmania?

Sir PHILIP FYSH.—I believe the rate will be $\frac{1}{2}$ d. instead of 1d. as heretofore; but the matter is not absolutely settled. The rate will be agreed to by the Treasurer of Tasmania, but I believe that will be the result.

Sir WILLIAM McMILLAN (Wentworth).—In regard to the second part of the schedule, I think there should be the same comparative liberality or generosity

that has been extended to the first part. This second part might be a little simplified by reducing the number of lines in it from three to four. The charge of 6d. for a press message not exceeding 25 words is very fair, and the same may be said of the charge of 9d. for messages exceeding 25 words, but not exceeding 50 words; but I think the next line might be omitted. It is a bad principle, in my opinion, to differentiate between telegrams for ordinary purposes, and press telegrams connected with the Commonwealth. Such differentiation must lead to a great deal of difficulty, and I do not know of any principle of equity on which it can be defended. We are dealing with the Commonwealth as a whole, and it looks like making a close preserve for ourselves when we create special terms for telegrams relating to Commonwealth affairs. The special charges are confined to Executive matters and debates in the House, but the next proposal will be to extend them to speeches made by Federal members outside, and to all matters connected with the Federal Government. The best plan would be to reduce the rates as far as the department can see its way to allow it, and, in order to avoid complications, to apply the same rates all round. My proposal is that for Inter-State telegrams of all kinds, the charge for 25 words should be 9d., which is 50 per cent. more than the charge within a State; and that for a message of more than 25 words, and not exceeding 50 words, the charge shall be 1s. and for every additional 50 words, 9d. That would make the rates for messages within a State, not exceeding 25 words, 6d., and from one State to another, 9d.; for messages exceeding 25 words, but not exceeding 50 words, within a State, 9d., and throughout the Commonwealth, 1s.; while for every additional 50 words, or portion of 50 words, the rate would be 6d. within a State, and 9d. throughout the Commonwealth. It seems to me that that would be a better arrangement than the attempt which is made in the schedule to differentiate between telegrams conveying Commonwealth intelligence and other telegrams.

Mr. WATSON.—The newspaper proprietors have not complained of the charge of 1s. 6d. per 100 words within a State.

Sir WILLIAM McMILLAN.—I think that to reduce the rate would lead to an acceleration of communication. This

Parliament can sit only in one State, but the people of the whole Commonwealth should be informed of its proceedings as quickly as possible. To that end, I think it is better to lower the telegraphic rates all round to a reasonable extent than to make the distinction provided for in the schedule. It does not seem to me that it is fair that the rate throughout the Commonwealth should be double the rate within a State. In my opinion a difference of 50 per cent. would be sufficient. In the next rate, I propose an addition of 33 per cent. Then I propose that the rate for an additional 50 words shall be 6d. within a State, and 33 per cent. more throughout the Commonwealth; so that whereas the charge for telegrams relating to Commonwealth parliamentary and executive proceedings is 6d. for every additional 50 words, I propose to make it 9d.

Sir PHILIP FYSH.—I wish first of all to call the attention of the committee to the fact that the Bill before us was very much liberalized by the Senate. The Postmaster-General originally proposed that the rate for every additional 50 words within a State should be 9d., but the Bill now makes it 6d. I intend to go still further, however, and to reduce the charge for every additional 50 words for transmission throughout the Commonwealth from 1s. 6d. to 1s. Those are lower rates than have been imposed throughout the States hitherto. Seeing that, under the rates now proposed by the Government, enough words to fill a whole column of the *Argus* can be telegraphed for about 10s. 6d., the charges are surely cheap enough. In view of the concessions made in dealing with other parts of the Bill, I cannot accede to the proposal of the honorable member for Wentworth, and must ask the committee to support this schedule as it stands, with the amendment of which I have given notice.

Sir WILLIAM McMILLAN (Wentworth).—My point is that it would be better to get rid of the distinction between telegrams giving Commonwealth intelligence and other telegrams, and to do that I suggest the reduction of the ordinary rates. Of course, if the Government will not agree to a reduction of rates, I do not wish to compel the newspapers to pay more for the transmission of Commonwealth intelligence.

Mr. MAHON (Coolgardie).—I hope that the proposals of the Government, rather than those of the honorable member for

Wentworth, will be accepted. Under the latter the charge for the first 100 words of a message transmitted within a State would be 1s. 3d. instead of 1s. 6d., as provided for in the Bill, while there would be a corresponding reduction in the case of messages for transmission beyond the borders of a State. But the proposal of the Minister to reduce the rate for every additional 50 words for transmission beyond the borders of a State from 1s. 6d. to 1s. brings all the rates into conformity. It brings the charge for every additional 50 words for transmission beyond a State into conformity with the charge for the transmission of an additional 50 words within a State, and also into conformity with the charge for messages relating to Commonwealth parliamentary and executive proceedings for transmission beyond a State. Therefore I think that, on the whole, the proposals of the Government are fairer than those of the honorable member for Wentworth. I do not agree with him that we have no right to allow messages relating to the proceedings of the Federal Parliament to be transmitted at a lower rate than is charged for the transmission of ordinary news.

Sir WILLIAM McMILLAN.—I did not say that we had no right to do so, but I think that we should get rid of the distinction.

Mr. MAHON.—I took down the honorable member's words in shorthand as he uttered them, and he said—"We have no right to make this a close preserve for ourselves."

Sir WILLIAM McMILLAN.—What I meant to convey was that it is not politic to do so, not that we have no power to do so.

Mr. MAHON.—My contention is that we not merely have the right, but that it is our duty to do so. Surely information concerning the proceedings of this Parliament is of far more importance to the people of Western Australia, or of Queensland, and of other remote parts of the continent, than news respecting a football match or a race meeting.

Sir MALCOLM McEACHARN.—Sometimes the report of a football match would be much more interesting.

Mr. MAHON.—I do not deny that reports of football matches and race meetings may often be of great interest to the people of the Commonwealth, but they cannot be of so much importance to them as reports of the proceedings of this Parliament. The

property and even the lives of the people are affected by our decisions here, and it is proper that we should give facilities for making these decisions known. But the proposals of the honorable member for Wentworth virtually amount to the contention that news concerning football matches, race meetings, and other trifling incidents of passing interest, that are of no real moment, are as important as information respecting the proceedings of this Parliament, and should be sent at the same rates. In my opinion, we did wisely when we decided that reports of the proceedings of this Parliament, and of the Commonwealth Executive should be telegraphed at lower rates than those charged for the transmission of general news. If the proposals of the honorable member for Wentworth be accepted, it will be necessary to recast the whole of the second part of the schedule, and I do not think that that is advisable.

Sir MALCOLM McEACHARN (Melbourne).—I think that the proposal of the Minister is rather better than that of the honorable member for Wentworth. Under the Minister's proposals, the charge for 200 words would be 2s., while under the proposals of the honorable member for Wentworth it would be 2s. 3d. I think, however, that there should be some reduction in the charge for Inter-State messages. If a reduction is made for messages within a State, there should be also a reduction for Inter-State messages. In my opinion, the amendment of which the Minister has given notice will not meet the case. I think that it is as necessary that the people of Queensland, and of other distant places, should be given cheap telegraph rates as it is that the rates within the States should be low.

Sir WILLIAM McMILLAN (Wentworth).—The schedule, as it stands, is rather ridiculous in this respect: The charge for messages within a State is 9d. for 25 words and not exceeding 50 words, but for 50 words and not exceeding 100 words, it is 1s. 6d., or twice as much, so that there is no concession there, because of the longer message. Then for Commonwealth telegrams, the charge is 1s. for 25 words, 1s. 6d. for a message not exceeding 100 words, and 3s. for a message exceeding 100 words.

Sir PHILIP Fysh.—For messages over 100 words, there is a very big concession.

Sir WILLIAM McMILLAN.—But I think that there should be an intermediate concession. I do not know that it matters

very much in practical press work, but it seems to me that the 3s. rate might be reduced.

Mr. DEAKIN.—At the rates now proposed a full column of news could be telegraphed for 13s.

Sir WILLIAM McMILLAN. — Of course, the real point, so far as the newspaper proprietors are concerned, is the reduction of the rates for messages containing more than 100 words. At the same time, there are many short, pithy telegrams of less than 100 words, and I think that in view of the rates charged for telegrams up to 50 words, it would be fair to reduce the charges for messages exceeding 50 words, but not exceeding 100 words to 2s. 6d.

Mr. DEAKIN. — The departmental experts do not regard the present press rates as payable.

Mr. WATSON.—I think that the rates proposed are fairly reasonable.

Mr. MAHON (Coolgardie).—At the present time, if a press correspondent wishes to send 100 words from Melbourne to Western Australia he has to pay 4s. 6d., and a similar amount is charged for every subsequent 100 words. Thus, a message containing 200 words would cost 9s. Under the Government proposals a message of 200 words could be sent from Melbourne to Western Australia for 5s. I answer the question of the honorable member for Wentworth by saying that this must be regarded as a very satisfactory reduction so far as the more remote parts of the continent are concerned. I would not presume to speak for the Sydney newspaper proprietors.

Sir WILLIAM McMILLAN.—The present charges for press telegrams to Western Australia are extremely high.

Mr. MAHON.—The same rate applies to press messages despatched from Melbourne to Queensland. I think that the Government have offered very fair terms. The committee should remember that this department is not paying expenses, and the mail services hitherto existing in remote portions of Australia are for this reason being curtailed. If these rates are reduced the size of the departmental deficit will form an excuse for the further curtailment of the facilities given and so badly required in the far interior of the continent. I for one will never be a party to a policy which will have that result, and which will also form a pretext for reducing the wages of the servants of the Commonwealth.

Mr. A. PATERSON (Capricornia).—I understand that the Government propose that the Inter-State messages shall be transmitted at the following rates:—25 words for 1s., 50 words for 1s. 6d., 100 words for 3s., and 150 words for 4s. The honorable member for Wentworth proposes that 25 words shall be transmitted for 9d., 50 words for 1s., 100 words for 1s. 9d., and 150 words for 2s. 6d., and it seems to me that these latter rates would be very advantageous to the newspaper proprietors.

Mr. DEAKIN.—Our proposals represent a great reduction upon existing rates, but if the suggestions of the honorable member for Wentworth were carried out the difference would be immense.

Sir MALCOLM McEACHARN (Melbourne).—I think that the Government might adopt the suggestion of the honorable member for Wentworth, that the rate for messages of over 50 and not exceeding 100 words should be reduced from 3s. to 2s. 6d. Most of these press messages are sent during the night, and I would point out that in Canada it is the practice to transmit press messages at night at half-rates.

Sir WILLIAM McMILLAN (Wentworth).—Although the Government have made considerable reductions in the rates charged for Inter-State press telegrams, I think that, as a matter of symmetry, they should reduce the 3s. rate for messages not exceeding 100 words to 2s. 3d.

Mr. JOSEPH COOK (Parramatta). — There is no reason why we should charge 100 per cent. more for 100-word messages than for telegrams containing 50 words. In every other kind of business a reduction is made upon taking a quantity.

Mr. WATSON.—The Government propose to make a considerable reduction upon the charges for messages containing over 100 words.

Mr. JOSEPH COOK. — Yes; but the reductions should be made upon the same scale right through. The public point of view is the only one from which we can consider this question. It would be of the utmost advantage to facilitate in every possible way the transmission of news from the seat of the Federal Government to all parts of the Commonwealth. The general public know too little of what is happening in the Federal Parliament, and of what is being done by the administration, and I think

that the suggestion of the honorable member for Wentworth might very well be conceded.

Sir WILLIAM McMILLAN (Wentworth).—I move—

That the words "one shilling and sixpence," column 2 of Part II., be omitted with a view to insert in lieu thereof the words "one shilling and threepence"; also that the words "three shillings," column 3, be omitted with a view to insert in lieu thereof the words "two and threepence."

The effect of these amendments will be to reduce the rate for telegrams exceeding 50, but not exceeding 100 words, transmitted within any State, from 1s. 6d. to 1s. 3d., and to decrease the charge for Inter-State messages of similar length from 3s. to 2s. 3d.

Mr. WATSON (Bland).—I do not think there is any justification for the great reduction proposed by the acting leader of the Opposition. There is no doubt that the proposal of the Government as amended is an extremely liberal one, as compared with the rate which has been charged upon Inter-State messages in the past. A material reduction has been made in the charges for the transmission of press messages.

Mr. JOSEPH COOK. — The charges have not been reduced to the same extent as they have in connexion with private telegrams.

Mr. WATSON.—The fact that we have been a little too liberal in regard to ordinary messages, is no reason why we should continue to make concessions which have not been asked for. I think that the press will be thoroughly satisfied with a reasonable reduction, and certainly such a reduction has been made. I would further remind honorable members that last year the Postal department showed an apparent loss of £46,000, and an actual loss very considerably in excess of that amount, because the balance-sheet did not cover interest upon the capital invested. If experience shows that the adoption of the lower rate results in an increase of business, we can then make a further reduction should it be deemed desirable to adopt that course. In the meantime, the concession which has been made in the Bill constitutes, I think, the utmost which we should risk in the interests of the Commonwealth as a whole.

Mr. FOWLER (Perth).—I think that the Government proposals as amended are fairly satisfactory. Although the reduction

which has been made in connexion with the transmission of press telegrams is not equal to that made upon private messages, the fact must not be overlooked that hitherto the press have enjoyed a considerable advantage as compared with private citizens.

Mr. L. E. GROOM (Darling Downs).—I desire to ask the Attorney-General if it is not possible to extend the definition at the top of the third column of part 2 of this schedule, which applies to press telegrams "relating to Parliamentary and Executive proceedings of the Commonwealth." If a vote be taken upon the proposal of the acting leader of the Opposition, will that definition be considered to have been agreed to by the committee?

Mr. DEAKIN.—No.

The CHAIRMAN.—I think that it would.

Mr. DEAKIN.—I hope that the honorable and learned member will not press this suggestion. The definition is a fairly general one, and if it be found necessary to extend it hereafter that course can be adopted at any moment.

Mr. L. E. GROOM.—Under that definition press telegrams at the reduced rate would be restricted to Parliamentary debates and Executive proceedings. It would not cover the publication of statistical information, reports of deputations, Customs prosecutions, or important trials before the High Court, all of which are matters of general interest. I think that the definition ought to be extended by adding the words "and Commonwealth affairs." That would cover anything relating to the official proceedings of the Commonwealth.

Mr. SYDNEY SMITH (Macquarie).—I trust that the Government will accept the suggestion of the honorable and learned member for Darling Downs. It is perfectly absurd that a rate of 1s. per 100 words should be charged only upon telegrams relating to parliamentary and Executive proceedings. In this connexion I would point out that Executive acts may at any time call for the issue of a manifesto by the leader of the Opposition or the leader of the labor party. Indeed they might necessitate comment on the part of any private member. Yet whilst the reports of Government proceedings would be telegraphed to the newspapers at the rate of 1s. per 100 words, a charge of 1s. 6d. per 100 words would be

levied upon the criticism of a private member. The latter should have equal rights with members of the Executive in this respect.

Mr. DEAKIN.—Private members have.

Mr. SYDNEY SMITH.—They have not, although I admit that some of the privileges enjoyed by Ministers have recently been swept away. Some of the regulations issued by the Executive have a very important bearing upon the customs and postal departments. Take for instance, the regulations issued the other day in connexion with the Post and Telegraph Act. If any honorable member had thought it necessary to comment upon them, or to show reasons why they should not come into force, the press would have been charged double rates for the transmission of his views.

Mr. DEAKIN.—So they would for any Ministerial defence of them.

Mr. SYDNEY SMITH.—It seems to me that it is most unfair to discriminate between the character of the matter transmitted. The only equitable method which can be adopted is to allow all press telegrams to be despatched at a uniform rate. I feel strongly upon this matter, and I am sorry that the Government have broken the arrangement which was entered into with this side of the House. The House met at eleven o'clock this morning so that honorable members from other States might be enabled to return home this afternoon.

Mr. DEAKIN.—We have kept our promise. The understanding was that the Bill should be passed.

Mr. SYDNEY SMITH.—We have been caught napping once, and we shall be very wary in future.

Sir WILLIAM McMILLAN (Wentworth).—No doubt there is a great deal in the contention of the honorable member for Macquarie. It frequently happens that election speeches and addresses delivered upon the public platform are just as important as are Executive proceedings. It is of no use to press the matter now, if the Government do not intend to take it into consideration. We must keep within the terms prescribed by the Government, or make them as extensive as possible, so as to include everything connected with the Federal Government, Parliament, or Ministers in any part of Australia. This is a difficult matter, but it is one which can be revived in the future.

Sir MALCOLM McEACHARN (Melbourne).—A little time ago we had a long discussion about placing the town and the country on the same footing, and I regard the proposal before us as involving an analogous question. Why should there be this great difference made between one State and the rest of the States? I do not say that all the States can be put on exactly the same footing, but it is only reasonable that the charge should be altered from 3s. to 2s. 3d.

Mr. DEAKIN.—That is another point.

Sir MALCOLM McEACHARN.—There are many matters of even greater importance than the proceedings of the Commonwealth Parliament or Ministers, and all press telegrams should be treated alike. I have not been spoken to on this question by any one, so that no pressure has been exercised on me. The proposal of the honorable member for Wentworth is one which the Government should take into consideration.

Mr. WATSON (Bland).—I trust the Government will consider the advisability of altering the definition of the Commonwealth or Parliamentary news which may be sent at the reduced rate. It will be difficult to prevent news of every description, without reference to its source, from going through if the definition be widened. It would be well if any news concerning the Commonwealth or the Commonwealth Parliament could be sent as cheaply as possible to every part of Australia. People in distant States are, in this connexion, at a considerable disadvantage, because, in addition to Parliamentary proceedings, there is much other news of interest and importance. The Government ought to endeavour to make a definition which will be sufficiently wide, but which will not allow the transmission of news having no relation to Commonwealth affairs at the cheaper rate.

Mr. FOWLER (Perth).—There is a distinct hardship in the definition we are asked to adopt.

Mr. JOSEPH COOK.—The insertion of the word "political" would meet the case.

Mr. FOWLER.—I do not care what words are used, so long as greater facilities are afforded for sending important information from the seat of Government to places like Western Australia. There are many matters in connexion with my own State

which I should like to see reported in the Western Australian newspapers, but their publication is prevented by the prohibitive telegraph rates. For instance, the report on the immigration of Italians is of great interest to the people of Western Australia, and yet, under present arrangements, they must wait until it can be sent by post. A considerable part of the work of a member of Parliament is done outside the Chamber, but there is no possibility of letting my electors know what is going on unless I take improper advantage of the concession afforded to members in respect of their own telegrams. That improper advantage I do not take, and, as a result, only the most meagre and late reports appear in the metropolitan newspapers of Western Australia. I do not blame the newspapers, which are not so wealthy as to be able to afford 4s. 6d. per 100 words for news of the kind. I do not think there would be any great loss of revenue if the concession were made a little more liberal, and in view of the importance of giving the people as much information as is available, I hope the Government will expand the definition.

Amendment negatived.

Mr. DEAKIN.—I am willing to expand the heading of the third column of the schedule in order to embrace practically all facts and matters relating to the Commonwealth. I move—

That the heading to the third column be omitted, and the following inserted in lieu thereof:—"Relating to Parliamentary, Executive, departmental, and other Commonwealth proceedings as may be prescribed."

Parliament has control over the regulations, and will thus be placed in a position to say what news shall be included.

Mr. SYDNEY SMITH.—I understand that if any injustice be done it may be brought under the notice of the Government and the regulations altered.

Mr. L. E. GROOM.—I am prepared to accept the amendment proposed by the Acting Prime Minister.

Amendment agreed to.

Amendment (by Sir PHILIP Fysh) agreed to—

That the following words be added to the schedule:—"On telegrams from and to Tasmania the charges to be those mentioned above, with cable charges added."

Schedule, as amended, agreed to.

Bill reported with amendments; report adopted.

Resolved (on motion by Sir PHILIP Fysh)—

That the standing orders be suspended so as to allow the Bill to be passed through its remaining stages this day.

Bill read a third time.

SPECIAL ADJOURNMENT.

Resolved (motion by Mr. DEAKIN)—

That the House, at its rising, adjourn until Tuesday next.

ADJOURNMENT.

ORDER OF BUSINESS.

Motion (by Mr. DEAKIN) proposed—

That the House do now adjourn.

Mr. WATSON.—What will the order of business be on Tuesday?

Mr. DEAKIN (Ballarat — Attorney-General).—Should the Customs Tariff Bill be sent from the Senate, the consideration of the message of that Chamber will be the first business. Should the Customs Tariff Bill not arrive, we shall take the Bonus Bill.

Question resolved in the affirmative.

House adjourned at 4.57 p.m.

Senate.

Friday, 29 August, 1902.

The PRESIDENT took the chair at 11.30 a.m., and read prayers.

COUNCIL OF CHURCHES: DAY OF PRAYER FOR RAIN.

Senator DAWSON.—I desire to ask the Vice-President of the Executive Council, without notice, if his attention has been directed to a paragraph in the *Argus* of this morning stating that at a meeting of the Council of Churches held yesterday, at which the Presbyterian, Methodist, Congregational, Baptist, and Lutheran churches were represented, it was decided to ask the Federal Government to set aside 7th September next as a day of humiliation and prayer for general rain. In view of the fact that it is said that it is only during the continuance of the drought that farmers can hope to make a living, is it the intention of the Government to refuse the request of the Council? If not, why not?

Senator O'CONNOR.—I have not seen the statement to which the honorable member refers, but if he desires me to do so, I shall inquire into the matter.

EASTERN EXTENSION CABLE COMPANY.

Senator Sir FREDERICK SARGOOD asked the Postmaster-General, *upon notice*—

Has the Government or the Postmaster-General received any information that the honorable the Prime Minister has carried out his promise, and entered into negotiations in London with the Eastern Extension Cable Company?

Senator DRAKE.—The Government do not consider it to be in the public interest that they should make any statement at the present time.

CUSTOMS TARIFF BILL.

In Committee (Consideration of House of Representatives' Message, resumed from 28th August, *vide* page 15539):

Senator O'CONNOR (New South Wales — Vice-President of the Executive Council) —I move—

That the following be adopted as the report of the committee:—

The committee have considered the message of the House of Representatives returning the Customs Tariff Bill, and have agreed to the modifications made by the House of Representatives to Requests Nos. 6, 13, 18, 28, 57, 71, 75, 79, and have disagreed to the modifications made by that House to part of Request No. 9 and to Request No. 38.

The committee recommend that the House of Representatives be again requested to make the amendments as originally requested by the Senate by Requests Nos. 9 and 38.

The committee have agreed not to again request the House of Representatives to make the amendments originally requested by Requests Nos. 1, 2, 5, 10, 11, 12, 40, 51, 60, 61, 62, 63, 64, 72, 74, 80, 81, 82, 83, 84, 85, 88, 89 (as to part), and 92.

The committee recommend that the House of Representatives be again requested to make the amendments as requested by the Senate by Requests Nos. 4, 7, 8, 14, 15, 16, 20, 25, 29, 30, 37, 39, 41, 42, 43, 44, 45, 46, 58, 59, 66, 67, 86, 90.

The committee have modified Requests Nos. 26 and 36, and recommend that the House of Representatives be requested to make the amendments as now modified.

The committee recommend that the modification as to date from which the amendments made come into effect be agreed to.

The committee recommend that the Bill be returned to the House of Representatives with a message requesting that House to make the amendments as set forth in a schedule annexed.

The committee recommend that the committee have leave to sit again forthwith on the receipt of a message from the House of Representatives, or on motion.

This report will practically constitute the message forwarded to the other House, and it has been drafted in its present form because I think it is desirable that on an occasion of such great importance practically the whole text of the message should be brought under the notice of honorable senators.

Senator Sir JOSIAH SYMON (South Australia).—I am sure that we can rely entirely on the accuracy of the references to the various items, and it seems to me that the report sets forth with great care and explicitness the exact position in which the Tariff now stands in respect to the House of Representatives. I think that everything that it is desirable should be said, is expressed in the message.

Question resolved in the affirmative.

Resolutions reported.

Motion (by Senator O'CONNOR) proposed—

That the report be now adopted.

Senator Sir JOSIAH SYMON (South Australia).—The details of the work of the committee are set out in the report, but I should like to crystallize them, because, in listening to the enumeration of the different items one can scarcely realize what they mean. I think it is desirable to mention that there were 50 items upon which the House of Representatives did not feel at the moment in a position to agree to the requests of the Senate. Out of these 50 requests 23 have not been pressed by us, and two have been modified. So that half of the requests to which the House of Representatives did not feel themselves in the position to assent have not been persisted in by us, and I think that honorable senators on both sides of the Chamber will agree that we have exercised some spirit of moderation. I think, under the circumstances, I may very well ask the Senate to commend this message to the wise counsels which, I am sure, prevail in the House of Representatives. I may be permitted to add that I regret that in some sections of the press an endeavour, which I think is unwise, has been made to stir up strife. I hope that that will be entirely disregarded, and that we shall be able very shortly to rejoice in handing the Tariff over to the people of Australia, for better or worse.

Question resolved in the affirmative.

SPECIAL ADJOURNMENT.

ORDER OF BUSINESS.

Senator O'CONNOR (New South Wales—Vice-President of the Executive Council).—It might be convenient if at this stage I mentioned the intentions of the Government with regard to the adjournment. I can see that there are a good many reasons why we should adjourn till Wednesday next, but as the House of Representatives will meet on Tuesday, in anticipation of receiving the Tariff on that date, I feel some difficulty in complying with the request, which I otherwise would certainly have liked to accede to. Of course it is a matter more or less for the convenience of the Senate, but it appears to me that, looking at the balance of convenience of both Houses, I must move—

That the Senate at its rising adjourn until Tuesday next.

Senator GLASSEY (Queensland).—I am just as anxious as is Senator O'Connor that we should get on with our business in the most expeditious way, but taking into consideration the business which has been transacted and that which is likely to be done, and also having regard to the fact that many honorable senators have to go to their homes in New South Wales and South Australia, I think the honorable and learned senator might consent to an adjournment until Wednesday. Considering the small amount of business that there is for the Senate to do there is no earthly necessity for our meeting on Tuesday. I strongly urge honorable senators to take into consideration the convenience of their colleagues who wish to get to their homes.

Senator Sir JOSIAH SYMON (South Australia).—My honorable and learned friend, Senator O'Connor, might readily acquiesce in the suggestion of Senator Glassey. I think there is a consensus of opinion that Wednesday will be a more convenient day than Tuesday for meeting next week.

Senator MCGREGOR (South Australia).—I wish to say that Wednesday would suit me admirably. I want to go to Adelaide and do not want to come back to Melbourne until Wednesday. I believe that sitting on Wednesday would suit the convenience of most honorable senators. Considering that the Senate has done fairly well this week in dealing with the whole of the requests upon the Tariff, I hope that the Vice-President of the Executive Council will recognise that

he ought to meet the convenience of honorable senators.

Senator Sir JOHN DOWNER (South Australia).—For the very reasons given by the Vice-President of the Executive Council for sitting on Tuesday, I have come to the conclusion that Wednesday would be the more convenient day.

Senator PEARCE (Western Australia).—I certainly should like to see the Senate sit on Tuesday, but at the same time I have no objection to meeting the convenience of the greater number of honorable senators. My chief reason for doing so is that apparently the unattached member of the Government who sits at the head of the table differs from his colleague in regard to the matter. We have the Vice-President of the Executive Council asking the Senate to sit on Tuesday, whilst the other Minister suggests Wednesday. The Government might show some cohesion with regard to their proposals.

Senator O'CONNOR. —The argument used by Senator McGregor has certainly impressed me, namely, that the Senate has shown unusual and commendable expedition in dealing with this subject. I realize that we really have done much more work than was anticipated, and as there seems to be a general wish that we should adjourn until Wednesday, I have no objection to giving way. Therefore, I desire to substitute Wednesday for Tuesday in the motion which I have moved.

Motion amended accordingly.

Question, as amended, resolved in the affirmative.

GOVERNMENT HOUSES : EXPENDITURE.

Senator O'CONNOR (New South Wales—Vice-President of the Executive Council).—I move—

That an expenditure upon Government Houses of £5,500 a year, as submitted in the statement laid upon the table of the Senate on the 20th inst., is approved during the term of office of the next Governor-General.

Honorable senators will, no doubt, recognise from the form in which the motion is put the object of the Government in bringing it forward. That object is this: At the present time the appointment of a Governor-General of Australia is being deferred until the wishes of the people of Australia with regard to the maintenance of establishments has been definitely made known. Until

something definite has been decided it is quite obvious that it would be impossible to offer the position to any one. Therefore it is desirable that that uncertainty should be removed at the earliest possible date. Of course there are two ways of doing that. It may be done as we seek to do it now, by obtaining an expression of opinion from both Houses of the Legislature on some general principle. On the other hand, a Bill might have been introduced to fix the amount of this particular kind of expenditure. But we have adopted the former course instead of the latter for this reason—the expenditure upon the upkeep of two establishments hitherto has been under departmental control only in a very slight way. The conditions are altogether new, and it is impossible to say accurately, until we have had some little experience of the working out of the new plan we have adopted here, what the amount of expenditure actually will be. If we adopted the second mode, the amount would have to be fixed in a Bill, and whether that amount proved to be too much or too little it would afterwards be necessary to have another Bill to amend it. We think it very much better to have this expenditure put upon the next Estimates in order to give time to ascertain the results of actual experience. After that, if it is found, as we believe it will be, that this sum is ample, the matter can be put in the form of a Bill and the Governor-General will from that time out—not only the next Governor-General, but succeeding Governors-General—know definitely what the position will be. Honorable senators will realize that the object of adopting a resolution in this form is that there shall be a statement which will be honorably binding upon the people of the Commonwealth, that during the term of office of the next Governor-General, although these matters are not secured by Bill, there will be no lessening of the amount which is now mentioned. I think honorable senators will realize that it is necessary that some definite expression of opinion which will practically and honorably bind Parliament should be made, to enable the Government definitely to communicate with the Imperial authorities. The only way in which that can be done is in this form. This form enables us to give that definite assurance which is necessary, and, at the same time, leaves it open to us after an experience of twelve months to

put the matter in the most accurate way possible in the form of a Bill. Honorable senators will see from the schedule which was laid upon the table on the 20th inst., what the exact proposal is. According to this paper, the appropriations for 1901, under the same headings that we are dealing with now, amounted to £13,030. Under the proposal we now make, the sum involved is £5,500. Perhaps it may be well for me to read the schedule, as some honorable senators may not have the document before them. It is made up in this way:—

Melbourne Government-house.—Maintenance, £500; grounds, £900.

Senator STEWART.—What does maintenance mean?

Senator O'CONNOR.—Maintenance of the building itself.

Senator STEWART.—Repairs?

Senator O'CONNOR.—Yes, repairs, up-keep, and so on.

Caretakers, charwomen, &c., £550; insurance, £126; fittings and furniture, £125; china and glass, £150; flags, £100; postal charges, £240; telephones, £110; lighting on public occasions and for offices, &c., £300. Total, £3,101.

Sydney Government-house.—Caretakers, &c., £740; maintenance, £250; grounds, £750; insurance, £100; telephones, £87; postal charges, £50; china and glass, £50; flags, £50. Total, £2,077.

The total amount is £5,178. As that sum of course is only a rough estimate, in order to be upon the safe side we mention a lump sum for the proposed votes, of £5,500. It will be noticed that this expenditure is asked for in regard to the up-keep of the Melbourne and Sydney Government-houses, and I should like to remind honorable senators of the position in which the matter stands in regard to those establishments. The Governments of both New South Wales and Victoria have placed at the disposal of the Commonwealth the Government-houses in the capitals of their respective States, rent free, upon the understanding that we shall pay for their up-keep. That arrangement has compelled them to procure other accommodation for the State Governors, for which the States have to pay. This exceedingly generous conduct on their part certainly deserves the return on ours that we shall fall in with their views, and provide reasonably for the upkeep of the two establishments.

Senator CLEMONS.—Is any other State to receive similar treatment, and to have its deserts so excellently considered?

Senator O'CONNOR.—I do not know that any other State has made an offer of its Government-house to the Commonwealth. The arrangement of which I speak is only for a certain period. To those who may think that it is unreasonable to maintain a residence for the Governor-General in both Melbourne and Sydney I would point out that two residences are provided for the Governor in each State. New South Wales provides a residence for her Governor in Sydney and another in the country, whilst South Australia provides a beautiful country residence for her Governor in addition to his fine town residence.

Senator Sir JOSIAH SYMON.—We are going to abolish the country residence.

Senator O'CONNOR.—It may be that the present arrangements will be altered in the future; I am referring to facts as they are, and as they were when the federation was inaugurated. The cost of the separate State establishments is very much more than the amount which we now propose shall be expended upon the up-keep of residences for the Governor-General. So far as Melbourne is concerned, the Governor-General will have to reside here to attend to his duties while Parliament is sitting, and with regard to the proposal that he should in the recess reside in Sydney, I hope it will not be forgotten that New South Wales was the first State to make provision for his reception, and that by the generosity of its Parliament a residence was provided for him there at the time when the people of that State with splendid hospitality celebrated the inauguration of the Commonwealth.

Senator DAWSON.—Will the Governor-General still have a residence in Melbourne after the federal capital is established?

Senator O'CONNOR.—The honorable member's interjection reminds me that the arrangement entered into with the States concerned is only temporary, and will hold good only until the federal capital is established. When that happens, we hope that a residence, with appointments and surroundings suitable for the position, will be provided for the Governor-General, and Parliament will then have to decide whether it will be necessary to provide any other residence for him. The amount set down in the statement which I have read is the lowest which can be expended to honorably carry out our obligations. Considering that the appointment of a

Governor-General is awaiting the settlement of this matter, I think the Senate might well give its approval to the resolution which has been passed by the House of Representatives, so that the Government may definitely and with certainty inform the Imperial authorities what allowance and salary will be available for the person to whom the position is offered.

Senator Sir JOSIAH SYMON (South Australia).—The motion just moved is an absolutely necessary one, and the only proper course to be adopted, so that the Imperial Government, when they enter upon the task of choosing the next Governor-General, may be in the position to state definitely what amount will be allowed in respect to expenditure not covered by salary. I think that we should all agree that irrespective of amount—a question into which we cannot very well enter at the present moment—it is eminently desirable that the confusion and looseness which has prevailed during the past twelve or eighteen months, and which has led to such serious misunderstandings, should not continue. The motion is practically the outcome of misunderstandings, which, if they did not lead to the resignation of Lord Hopetoun—now Marquis of Linlithgow—culminated in his departure from Australia. Apart from every other consideration, it is desirable that a repetition of that state of things should by all reasonable means be avoided. I do not know that in dealing with a motion having the object which I have indicated, it is desirable to haggle about the amount provided for. It is, of course, important that we should see that the amount provided is reasonable, but if an error is made, it should be in the direction of liberality rather than of parsimony. In my opinion, no accusation of parsimony can be brought against the people of Australia in regard to the unfortunate difficulties which arose, and were the subject of debate in both branches of the Commonwealth Legislature some months ago, and the suggestion of meanness which emanated from some of the English newspapers which dealt with the subject was utterly unjustified. There has been no foundation or colour for any such reflection upon the action of the Commonwealth. The people of Australia are not a mean people. They are a generous people, and if they err in dealing with high public servants, it is in the direction of liberality—

I would almost say lavish liberality—rather than in the direction of the undue curtailment of allowances for the maintenance of the dignity of an office or the efficiency of its administration. I resent personally, and as a representative of the State of South Australia, any imputation of parsimony. Those who have made such malicious assertions cannot be aware of the actual facts. I am sure—aware as we are of his high-standing and character, which is esteemed wherever he is known—that Lord Hopetoun would have been the last to suggest any charge of parsimony. During the eighteen months for which he was Governor-General he received from the exchequer of the Commonwealth a sum of £40,000. The salary of £10,000 per annum, which is fixed by the Constitution, was the subject of very grave consideration during the sittings of the Convention, and the fact that super-added to it there are allowances upon what I consider no paltry or small scale has only to be known to entirely refute any reflections upon the fairness and justice of the people of Australia. The basis upon which the amount set down in the motion is arrived at has more relation, it seems to me, to the residential conveniences of the Governor-General than to the actual administrative necessities of the office which he holds. At the risk of seeming to part company for once with some of my very good friends from New South Wales, I utterly disagree with the necessity for two Government-houses, one in Melbourne and one in Sydney. I think the proposal is too ridiculous to commend itself to men who have arrived at years of maturity.

Senator DAWSON.—It was not even suggested by the Colonial Office.

Senator Sir JOSIAH SYMON.—As my honorable friend says, it was not even suggested by the Secretary of State for the Colonies. My recollection is that he rather deprecated the sort of pressure which it appeared was likely to be brought to bear upon the Governor-General to occupy these two Government-houses, and to establish himself in Sydney for a certain portion of the year. To my mind the suggestion is perfectly childish. I hope my honorable friends for New South Wales will believe that I say this with the greatest pain, because I am free to confess that there is no place within the bounds of this Commonwealth that I would more gladly live in

than Sydney, except, of course, Adelaide. If there is to be a choice of a Government-house, apart from the residence rendered necessary by the administration of the Government of the Commonwealth, I think it ought to be in or near Adelaide. I thoroughly sympathize with the view my honorable and learned friend Senator O'Connor has suggested as a reason why there should be two Government-houses, that, in each State, two Government-houses are provided. I know it is so in South Australia, though I think there ought only to be one. It happens, as my honorable and learned friend says, that, in all the States, there are two Government-houses provided, one as a winter, and the other as a summer residence. I should like to know whether it is proposed that Sydney Government-house shall be the summer residence of the Governor-General?

Senator O'CONNOR.—This certainly ought not to be the winter residence.

Senator Sir JOSIAH SYMON.—I am with my honorable and learned friend as to that. We have heard of geographical free-traders and protectionists, but Government-house, Melbourne, is not selected as the residence of the Governor-General upon any geographical ground, but on the ground of necessity, because, whether we like it or not, and whether our friends from New South Wales like it or not, Melbourne is, for the present, practically the seat of Government. There is no getting away from that. Why, for the mere sake of patting our good friends in Sydney on the back, and keeping them sweet by the expenditure of a few thousand pounds per year, we should keep up a residence in Sydney for the Governor-General I really do not know. I do not propose to move any amendment upon the motion, because, whether £5,000 a year is sufficient or not, there ought to be some definite sum fixed in respect of these allowances, in order that the gentleman who has the distinction and high honour of being chosen Governor-General of Australia in succession to the Marquis of Linlithgow, may know exactly what he is going to receive. But the proposal to maintain Government-house in Sydney for the Governor-General is submitted for a reason which would justify the positive throwing away of the money of the Commonwealth upon any silly purpose whatever. These are the only observations I desire to make upon the motion.

I desire to express my entire dissatisfaction with the proposal to maintain Government-house, Sydney, for the Governor-General. I do not think it ought to be done. I think the Government should put their feet down and abstain from doing it. We have before in the Senate had references made to the maintenance of public offices in Sydney, luxurious, carpeted rooms, with magnificent beds and bed-hangings, but that is a comparatively unimportant matter.

Senator O'CONNOR.—Where does the honorable and learned senator get that information? I have not seen any.

Senator Major GOULD.—From his own imagination, or from the imagination of Senator Matheson.

Senator Sir JOSIAH SYMON.—It cannot be from my own imagination because I always have an iron bedstead without any curtains. Is it not a fact that there is a lovely suite of rooms provided in the public offices in Sydney for the Minister of Home Affairs?

Senator DOBSON.—There is no bed.

Senator Sir JOSIAH SYMON.—Then there ought to be a bed; it is a decided omission.

Senator MILLEN.—The honorable and learned senator made the bed his grievance just now.

Senator Sir JOSIAH SYMON.—This is a very small matter in comparison with the maintenance of a costly Government-house. Sydney Government-house is a beautiful residence which I think it ought to be the pride of the State to maintain at its own expense, but which ought not to be kept up at the expense of the Commonwealth. I feel less inclination to move an amendment in this matter for the reason that the remedy for this state of things—and perhaps in this respect I may disappoint my Victorian friends—ought to be the early selection of a federal capital site and the early establishment of the federal capital.

Senator DOBSON.—I hope not.

Senator Sir JOSIAH SYMON.—We shall then get rid of all these little troubles. We shall know what our expenses are likely to be. We shall be able to cut our coat according to our cloth, and we shall not be continually getting into trouble and uncertainty with high officers of State, such as the Governor-General, and feeling difficulty as to how much ought to be contributed towards the cost of his establishment. I hope that the Government will take an

early opportunity of curtailing that expenditure, and in the interests of economy, which is clamoured for throughout the Commonwealth, I trust they will put an end to the maintenance of a second Government-house, except at the expense of the State in which it exists.

Senator HIGGS (Queensland).—I am very sorry that Senator Symon did not carry the expression of his opinion to the extent of moving an amendment upon this motion. I beg to move—

That the words "less the amount required for the up-keep of Government-house, Sydney," be inserted after the figures "£5,500."

If honorable senators can improve upon that amendment, I shall be only too happy to give way to them. My only object is to secure a substantial expression of the opinion which apparently is held by a majority of honorable senators from all the States, that it is quite unnecessary to have two Government-houses. In my opinion, it is not only unnecessary, but it is quite objectionable. Why should Sydney and Melbourne be entitled to the whole of the Governor-General's time? Have Perth, Hobart, Brisbane, or Adelaide no claim, or have the States of which they are the capital cities no claim? Why should all the other States be called upon to contribute towards the expense of keeping up Government-house in Sydney, which, if the Governor-General does his duty to the Commonwealth, he cannot occupy for more than a couple of months in each year?

Senator CHARLESTON.—He must have a residence.

Senator HIGGS.—That is a very brilliant observation. I have not suggested that the Governor-General should not have a residence in Melbourne. Does the honorable senator not think that Government-house in Melbourne is sufficiently capacious to hold the Governor-General and his suite? From a cursory glance, I should say that it would hold about 40 families, and that is the great trouble. The statesmen of Victoria have been so extravagant in their ideas that they have built that great mansion and now expect the public to maintain it. This arrangement for the leasing of two Government-houses was come to between certain politicians very estimable in other respects, but who had extraordinary opinions as to what the Commonwealth was likely to approve. They evidently thought that we were so rich in resources that we

could maintain a Governor-General as expensive as the Shah of Persia appears to be, judging from comments recently appearing in the newspapers. My feeling is, that the sooner the people of Australia make up their minds to have a native-born or native-raised Governor-General, the better. I do not demand that he shall be native-born, but I mean to say that he should be one of our own. He should be an Australian statesman or citizen who is qualified for the post, and we have dozens of them. We shall never arrive at that stage so long as we are prepared to tempt some of the hard-up nobility in the old country who are desirous of coming out here to recoup their fortunes. It would appear that the idea of this motion is really to assist Mr. Chamberlain to select a Governor-General for Australia. The opinion we once held that the aristocrats of the old country were anxious to obtain this position on account of the honour attached to it is apparently exploded, and it is understood now that the number of applicants for the position will be determined by the amount of money we are prepared to pay to make the stay of the Governor-General in Australia comfortable. To my mind, £10,000 a year is more than ample for the purpose. I am not, however, at this stage prepared to say that the people of Australia should expect the Governor-General to occupy a place like Government-house, Melbourne, or that the Governor-General, whoever he may be, should have to bear the expense necessary for the up-keep of so magnificent a building. I understand that it costs no less than £1,000 a year to light up that residence. In any case, I certainly think we are not called upon to go to the expense of maintaining Government-house in Sydney. Honorable senators may not feel inclined to vote against this proposal, the Government being committed to the expenditure, seeing that they have leased the house for some three years. But, if it is a business transaction, the Government will have no difficulty whatever in sub-letting it for the remainder of that term to some of the wealthy families of New South Wales, who would be only too glad to occupy it.

Senator DAWSON.—And make money on the bargain.

Senator HIGGS.—They would probably make money on the bargain. If there is any disability in that respect, it might be

allowed to revert to the State Governor, instead of his being expected to occupy some other establishment, as the State Governor of Victoria has also had to do.

Senator Major GOULD.—What would be done with the existing State Government-houses then? The States will be expected to keep them up?

Senator HIGGS.—Some honorable senators may think that there is some animosity to New South Wales contained in the opposition to this motion.

Senator MILLEN.—I think so.

Senator HIGGS.—There is no objection on the part of honorable senators from Queensland. We took the trouble to go on the federal tour seeking the capital site—a search which Senator Millen did not assist by his presence—and we did so with a view to the early establishment of the federal capital. Surely that is in the interests of New South Wales? Every honorable senator from Queensland is anxious to see the federal capital selected at an early date, but I am afraid a selection will not be made for some time to come, mainly because of the neglect of Senator Millen and certain other honorable senators, who failed to join in the recent parliamentary inspection.

Senator MILLEN.—The honorable senator should not talk bunkum. I know more about the sites than he does, although I did not take part in the picnic.

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of the Governor-General except when he rides through the streets in some procession to impress the people with a display of militarism. I have no feeling against New South Wales. I believe Sydney to be one of the most beautiful spots on the face of the earth, and the citizens are as generous and as good as are any other people in the Commonwealth. But while the up-keep of Government-house, Sydney, for the use of the Governor-General, and the residence of His Excellency in that capital, may not have a disastrous effect upon federal politics, I feel that there is always a possible danger to be feared. If the Governor-General of the future makes friends, as he will do, amongst influential citizens of Melbourne and Sydney, it is possible that, in the event of Inter-State troubles arising, Queensland might suffer.

Senator O'CONNOR.—What powers has the Governor-General under the Constitution?

Senator HIGGS.—If the Governor-General has no power to do anything, of what use is he? Has the honorable and learned senator become a pro-Boer or a Republican that he talks in that way?

Senator O'CONNOR.—The Governor-General is only the mouth-piece of the Executive, and the Executive is controlled by Parliament.

Senator HIGGS.—Let honorable senators note that statement. According to Senator O'Connor the Governor-General is only the mouth-piece of the Executive Council, the members of which each receive some £1,500 a year. What an expensive mouth-piece he is! He receives a salary of £10,000 a year, and the sum of £5,500 per annum is to be provided for the up-keep of two Government-houses for his use. As Senator Symon has pointed out, no less a sum than £40,000 was expended in connexion with the office during Lord Hopetoun's occupancy of it. Yet that gentleman had no power, no influence whatever. He was merely the mouth-piece of our esteemed and able leader, the Vice-President of the Executive Council, and his colleagues in the Government. I am thankful for the information which Senator O'Connor has given us. The sooner the taxpayers learn that the Governor-General has no power, and that he is merely the mouth-piece of the Executive, the sooner they will arrive at the conclusion that we have amongst us any number of men of ability competent to fill the position. If I may be pardoned for

being personal, who would not vote for the appointment of Senator Playford as Governor-General? To go outside this Parliament for a moment, we must recognise that, although some of us may disagree with the political opinions expressed in the past by our various States Lieutenant-Governors, not one of them has failed to prove himself to be as capable and as intelligent as any Governor or Governor-General that we have known. I hope that honorable senators will vote for the amendment in some form or other. If we believe, as Senator Symon says, that it is utterly ridiculous to provide two Government-houses, let us show the possession of that opinion by voting for the amendment.

Senator EWING (Western Australia).—I should not have spoken but for the fact that I intend to-day to reverse the vote which I gave upon a previous occasion. Upon looking into the matter, it seems to me that the attitude taken up by this Parliament on a previous occasion was rather paltry, and I propose to place before the Senate some of the reasons which have led me to that conclusion. We find in the first place that nearly every State in the union provides two residences for its Governor, and we know from personal experience that Melbourne in winter is hardly a fit place for any one to live in. On the other hand, we have evidence before us that there is hardly a climate in the world in which it is more pleasurable to live than that of Sydney in winter.

Senator BARRETT.—Why does the honorable and learned senator complain of Melbourne? Does he not think we are having very good weather now?

Senator EWING.—I shall take the first opportunity of getting out of Melbourne, and I would vote—upon climatic grounds—for almost any city in preference to Melbourne as the meeting place of the Federal Parliament. Sydney has great claims upon the Commonwealth. It is the largest city in the union, and the capital of the oldest State.

Senator Sir JOHN DOWNER.—And the federal capital is to be in New South Wales.

Senator EWING.—I should be very glad if Sydney could be selected as the capital. I believe that it would have been chosen but for the fatal mistake of inserting a clause in the Constitution, providing that the capital shall be at least 100

miles distant from Sydney. With that provision in the Constitution we cannot make Sydney the federal capital; but I do not hesitate to say that if that city were chosen, the citizens of Melbourne would very quickly demand that a Government-house should be maintained in Melbourne for the use of the Governor-General whenever the opportunity offered. I do not know that that demand would be unreasonable, particularly when we can consider the desires of these two large States without any loss to the Commonwealth. If the Government proposal would involve the Commonwealth in an expenditure of thousands of pounds, I should hesitate to vote for it. But what do we find? We find on the figures before us that the States are paying the piper; that they are asking the Commonwealth practically to do nothing, and that if it were decided that the Governor-General should not have a residence in Sydney, we should save the Commonwealth only something like £1,000 a year. It is admitted on all hands that if we compel the Governor-General to live in Melbourne all the year round we must increase the sum of £3,100 proposed to be set apart for the upkeep of Government-house here.

Senator MATHESON.—Who makes that admission?

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Senator EWING.—If the honorable senator will look at the facts he must see that if the Governor-General lives in Melbourne all the year round, the caretakers and numerous other servants will have to be employed at Government-house, Melbourne, throughout the year.

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Senator EWING.—I do not believe that. The number of persons employed about Government-house when it is in occupation must necessarily be much larger than when it is not. Therefore, the position is this: That if we are going to wipe out the £2,000 proposed to be set apart for Government-house, Sydney, we must increase the sum of £3,100 set apart for Government-house, Melbourne.

Senator BARRETT.—Not necessarily.

allowed to revert to the State Governor, instead of his being expected to occupy some other establishment, as the State Governor of Victoria has also had to do.

Senator Major GOULD.—What would be done with the existing State Government-houses then? The States will be expected to keep them up?

Senator HIGGS.—Some honorable senators may think that there is some animosity to New South Wales contained in the opposition to this motion.

Senator MILLEN.—I think so.

Senator HIGGS.—There is no objection on the part of honorable senators from Queensland. We took the trouble to go on the federal tour seeking the capital site—a search which Senator Millen did not assist by his presence—and we did so with a view to the early establishment of the federal capital. Surely that is in the interests of New South Wales? Every honorable senator from Queensland is anxious to see the federal capital selected at an early date, but I am afraid a selection will not be made for some time to come, mainly because of the neglect of Senator Millen and certain other honorable senators, who failed to join in the recent parliamentary inspection.

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Senator BARRETT.—Not necessarily.

Senator EWING.—To provide a Sydney residence for the Governor-General will substantially make a difference of about £1,000 to the Commonwealth, and to oppose the proposition is altogether too paltry, especially when we realize that we are considering the largest State in the union, and the natural capital of Australia. Let the people of Melbourne or any other part of Australia say what they will, Sydney will be the commercial capital—and I should not be sorry to see it the political capital—of the Commonwealth. These being my views, and feeling, as I do, that we are not proposing to impose any substantial burden on the shoulders of the Commonwealth, I intend to support the Government proposal. At a cost of £1,000 we can do that which the people of Sydney expect of us. We can keep the contract made with the New South Wales Government. The Federal Executive have caused the State Government to spend a large sum of money in contemplation of an act of this kind, and shall we, for the sake of £1,000, break all the implied and express promises which have been made to the people of New South Wales? It would not be worthy of the Federal Parliament to quibble over a difference of £1,000, and I trust that the motion will be carried without amendment.

Senator MACFARLANE (Tasmania).—Upon this occasion I intend to vote with the Government. It seems to me that the amendment arises only from one of two things: either an honest desire for economy or something very much akin to jealousy. I fail to see why the ordinary courtesies extended to the Governor of a State should not be accorded to the Governor-General. The expenditure involved in the up-keep of two Government-houses will be comparatively trifling, and the principle which is involved in this proposal—the principle of extending courtesy to, and providing for the comfort of, the first citizen of the Commonwealth, should be agreed to.

Senator STEWART (Queensland).—I intend to support the amendment, because I think it is unnecessary and undesirable that the Commonwealth should provide for the Governor-General a house in Sydney as well as in Melbourne. Senators Macfarlane and Ewing have complained that only a very small sum of money is involved. It appears to me that something more than mere money—a principle—is involved. We are well aware

of the reason why the Government proposes to maintain a house in Sydney for the Governor-General; it is because Sydney is jealous of the Federal Parliament meeting in Melbourne, and the Governor-General living there. That is not a frame of mind which ought to be encouraged by this Parliament. At any rate, if the Government of New South Wales insist or desire that His Excellency should spend some time in Sydney, they might very well pay all the expenses. Nothing more, I consider, can be claimed from the Commonwealth than that it should provide for the Governor-General a residence at the seat of government. Any other State capital might just as reasonably desire the presence of His Excellency as Sydney, or as a particular clique in Sydney, appears to do. After all, in whose interests is the Commonwealth asked to expend this additional sum of £2,077? In the interests of the people of New South Wales? No. In the interests of the people of Sydney? No. It is in the interests of an insignificant society clique in Sydney, who are never content unless they are basking in the sunshine of vice-royalty; who are never satisfied unless they are crawling on their bellies before some potentate whom they consider better than themselves; who are never pleased unless they are entertained with champagne and other luxuries at the expense of either the Commonwealth as a whole, or the people of the various States. In Brisbane we have the same little coterie. I suppose it also exists in Melbourne. If we go to Adelaide we shall find the very same thing existing there, and probably also in Perth. I dare say that even in far-away Hobart it finds a place. Living as we do in a democratic community we ought to discountenance everything of this kind. Referring to the items, I find that the postal charges amount to £240 for Melbourne and £50 for Sydney. £300 per annum to be spent on postage stamps! Is that money to be expended on the business of the Commonwealth or on the postage of letters of invitations to parties, balls, and receptions at Government house? Perhaps Senator O'Connor will give us some information on that point. A very great deal of criticism is levelled at members of Parliament because their letters to their constituents on matters of public importance are franked by the Commonwealth. Although the two Houses

comprise 112 members, and the total sum allotted to them for postage and telegrams is £1,000 per annum, yet the Governor-General—who, Senator O'Connor has told us, is only a mouthpiece, has no power or influence, and really is not necessary—has for himself an amount equal to a third of the sum voted for the members of both Houses of Parliament. A proposal of this character appears to me to be ridiculous.

Senator DOBSON.—That is a very unfair comparison.

Senator STEWART.—I do not think there is anything unfair about it. We are here to scrutinize every item of expenditure by the Commonwealth. This particular expenditure is most unnecessary. It is an extravagance which ought not to be sanctioned by the Parliament.

Senator Major GOULD.—Is the honorable senator objecting to the whole £5,000?

Senator STEWART.—Under other circumstances I, probably, would object to the whole £5,000. Under existing circumstances it is apparent to me, as I suppose it is to many other honorable senators, that we cannot escape from sanctioning some expenditure. We cannot ask a Governor-General to come out from England, pay him a salary of £10,000 a year, and then invite him to spend half that sum in maintaining his residence; but I hope that at some future period the position of Governor-General will be put on a more business footing. I recognise that we cannot do that at the present time. But I really do not see any reason—and no reason that is satisfactory to me has been given—why we should spend over £2,000 per annum in maintaining a residence in Sydney in addition to the one in Melbourne.

Senator Major GOULD (New South Wales).—I regret that there should have been any feeling imported into this debate, because it should be recognised that the Government have presented this resolution in pursuance of an understanding which was made—rightly or wrongly—long ago. It must also be conceded that that arrangement has never been repudiated, and that it is incumbent on the Government to carry out their engagements. We must realize that both Victoria and New South Wales made provision at considerable expense for residences for the State Governors. It was considered desirable, owing to the large population centered in each of these States, that provision should be made for the

residence of the Governor-General in each State for a certain portion of the year, pending the selection of the federal capital site, and upon that ground and at the request of the authorities both States incurred considerable expense. No one will raise a question as to the fairness of maintaining Government-house, Melbourne, as a residence for His Excellency the Governor-General. That may be regarded as a matter of necessity, owing to the sittings of Parliament being held in that city. We know that New South Wales has entered into an engagement by which it has become possessed of another house as a residence for the State Governor, that a large sum of money has been expended in properly furnishing that residence, and that the State Government, relying on good faith being observed, have incurred a considerable outlay upon Government-house, Sydney, to fit it for the occupation of His Excellency the Governor-General. We know, further, that at the inception of the Commonwealth the Governor-General was located in Sydney for a considerable time, and that it was only just prior to the opening of Parliament in Melbourne that he took up his residence here. It is only fair, therefore, that the arrangements made with the Government of New South Wales should be carried out in the way now proposed.

Senator DAWSON.—Was Queensland consulted with regard to that arrangement?

Senator Major GOULD.—It was represented in the Ministry by the Postmaster-General, and, I presume, therefore, that its interests were consulted. The Postmaster-General approves of this arrangement.

Senator DRAKE.—Hear, hear.

Senator DAWSON.—The Postmaster-General is expressing only one Queensland opinion.

Senator Major GOULD.—He represents it just as much as does the honorable member, and occupies a position of much greater weight and influence in the Commonwealth.

Senator DAWSON.—He does not represent as many Queenslanders as I do.

Senator DRAKE.—I am not so sure of that.

Senator Major GOULD.—Senator Stewart addressed himself to the question whether it was necessary to have a Governor-General, but I would remind honorable senators that, whilst we remain a portion of the Empire, we must have a Governor-General to preside over us in order to represent our

connexion with the mother country. The question whether we should have a Governor-General or not may be dismissed for the present, and left as a subject for academic discussion by those who argue that the Commonwealth should be independent of the Empire. With regard to the fairness of the arrangement made, I cannot too strongly impress upon honorable senators the fact that one-third of the population of the Commonwealth reside in New South Wales. I admit that a somewhat similar proportion is to be found in Victoria. These two States are the dominant factors in the Commonwealth, by virtue of their population and the work which they have accomplished in promoting the settlement and advancement of Australia.

Senator DAWSON.—Would the honorable and learned senator settle the Tariff on that principle—on the principle of New South Wales *versus* the rest of the Commonwealth?

Senator Major GOULD.—Certainly not. In the settlement of the Tariff we have been called upon to consider the best interests of the Commonwealth, as a whole. A very strong feeling prevails in New South Wales that the interests of that State are not considered to the extent they should be. It is believed that there is a tendency to pay more regard to the necessities of the State in which the Parliament is sitting, at the expense of the other States, which are quite as important as regards population, area, wealth, and everything that goes to make up prosperity. Under the Constitution it is provided that the federal capital is to be established in New South Wales.

Senator MATHESON.—But not in Sydney.

Senator Major GOULD.—I know that perfectly well; but would the honorable senator wish Government-house to be fixed at Goulburn or Bathurst for the time being? If so, we might, possibly, arrange it for him.

Senator MATHESON.—There should be one Government-house and no more.

Senator Major GOULD.—There is no provision in the Constitution to that effect.

Senator MATHESON.—That is the natural inference.

Senator Major GOULD.—Natural fiddlesticks! The Constitution provides that Parliament shall sit in Melbourne, but it does not state that the seat of government shall be in that city. It does not provide

where the seat of government is to be, but the federal capital is to be somewhere in New South Wales. When this question was under consideration, it was pointed out by an eminent constitutional authority that there was no warrant for assuming that the seat of government should be in Melbourne, but that there was every warrant for supposing it should be in New South Wales. Taking that into consideration, it is reasonable that the Governor-General should have an opportunity afforded to him when Parliament is in recess of visiting the capital of New South Wales and residing there for a limited period. It is not intended that this shall operate to the detriment of the other State capitals. I readily concede that it is desirable that the Governor-General should have every facility for visiting all the capitals of the Commonwealth, and that he should not be shut up in Melbourne or Sydney exclusively. I know that some honorable senators feel that there is a spirit of undue extravagance abroad, and possibly it will be objected that the maintenance of a residence for the Governor-General in Sydney will involve an undue expenditure. I would point out, however, that the expenditure contemplated will not exceed £2,077. As has been mentioned by Senator Ewing, if we retained Government-house, Melbourne, alone as a residence for His Excellency, the cost of maintenance would be more than that now provided for, and, at the most, the saving affected by giving up Government-house, Sydney, would be £1,000 per annum. It is not desirable, after an agreement has been entered into with the Government of New South Wales, that any ground should be given for a feeling of injury on the part of that State, owing to any actual or imaginary breach of faith. The Sydney people may not receive any great benefit from the maintenance of a residence for the Governor-General there, but they will at least have the outward and visible sign of the Commonwealth, as represented by the Governor-General, amongst them. Furthermore, whatever may be said with regard to the fact that our Governors keep up a great amount of State, in which the great bulk of the people cannot participate, it must be acknowledged that the entertainments given by them cause a large amount of money to be circulated amongst the masses. The Governor-General, for instance, could not give an entertainment without spending a considerable sum, and this would

be distributed amongst the masses. Moreover, the persons who were privileged to attend these entertainments could not do so without in their turn spending more money, and thus the people generally would derive benefit. We know that a quiet season in any of the large centres leads to great complaints regarding slackness of trade, and slackness of trade means less employment. It is one of the greatest mistakes to under-rate the importance of expenditure such as I have referred to, and the benefits which flow from it.

Senator DE LARGIE.—The working bees in the hive do not appreciate arguments such as those, which are used by the drones only.

Senator Major GOULD.—The honorable senator will not deny that if he chose to spend £20,000 in entertaining his friends, he would be doing good by spending his money—that he would be distributing his money among the working bees in the hive.

Senator DE LARGIE.—The money could be spent to much greater advantage.

Senator Major GOULD.—No doubt, but if people cannot be induced to spend it in any other way, we may as well have it distributed in that form. Some people object to the money spent upon theatrical entertainments and other amusements, but that all becomes distributed amongst the general community. However, apart from that question, the present proposal of the Government is fair and reasonable, and will enable us to carry out the promise which has been made, and to satisfy at least one-third of the population of the Commonwealth. We shall also be able to show the State of New South Wales that with regard to this particular matter there is no under-current of ill-feeling or jealousy towards the oldest and most populous State.

Senator DE LARGIE (Western Australia).—I intend to support the amendment, because I think we should be very careful in laying down precedents in matters of this kind. It might appear at first sight that we should be studying the interests of Sydney by agreeing to the Government proposal, but a little consideration will show that a momentary advantage may be purchased at an ultimate excessive cost. If we lay down the precedent that Sydney is entitled to have the Governor-General residing in that capital for a portion of the

year, later on, when the seat of government is in New South Wales, Melbourne will come forward with a claim that her interests demand that the Governor-General shall reside here. Melbourne will have quite as good reasons for urging that claim as Sydney has now. It is all very well to say that this arrangement is to continue for only five years, but we are laying down a precedent, and at the end of that time, or when the Government has taken up its seat in New South Wales, we shall have a similar set of circumstances presenting themselves, and a claim will be made that could not be put forward if we defeat this proposal at the present time. I therefore warn the New South Wales representatives not to buy a temporary advantage at too great a price.

Senator Major GOULD.—We are prepared to give Melbourne all that we ask for—the same fair treatment.

Senator DE LARGIE.—This is not a matter to be considered from a Melbourne or a Sydney stand-point. The other metropolitan cities of Australia have a right to be considered. I dare say that the business people of Perth would like the Governor-General to stay in that city, just as much as the Sydney people want him to stay there. The people of Perth are just as much entitled to have consideration given to them in regard to the spendings of the Governor-General and the people whom he entertains, as are the people of Sydney. We have to view the matter from the stand-point of every metropolis in the Federation. We have no right to lay down a precedent that we cannot carry out fairly all round. I admit that the Government have entered into an agreement, but if they enter into foolish agreements, and commit themselves to arrangements of this kind, it is not the duty of Parliament to give its consent to them. It is rather our duty to point out to the Government that they have done wrong. By so doing, we shall prevent them from entering into other agreements of the kind. Much has been said concerning the climate of Melbourne. There is nothing in that argument, because, as far as my experience goes, Melbourne is the most suitable climate in Australia for the English constitution. We are going to import our Governor-Generals from the old country, and there is no part of Australia where I have lived that suits the English constitution so well as does Melbourne. Sydney, in my opinion, is not at all suited to the constitution of the average

Englishman in the summer months. Melbourne, indeed, is the very best place, as far as concerns climate, to which we could bring our Governor-General. But really the question of climate has nothing to do with the subject. It is really a matter of circulating as much public money as possible in Sydney. The troubles of those who have spoken about the health of the Governor-General are very small. I admit that New South Wales has just as much interest in this matter as has any other State of Australia. But Sydney has less interest in it than have some of the other cities of New South Wales, because Sydney is the one place mentioned in the Constitution where the seat of Government must not be. What is the meaning of this cry to have the Governor-General residing in the very place that is pointed out by the Constitution as the city where the seat of Government cannot be located? The argument has been advanced that there are more people in New South Wales than in any other State. Well, if the people of New South Wales are so numerous and the State is so wealthy — and I dare say that it will be admitted at once that it is the richest State in the Federation—let those people put their hands in their big collective pocket, and pay the expenses of the Governor-General when he is residing in that part of Australia. I am sure that there will be very little objection to their doing so.

Senator Major GOULD. — New South Wales passed a Bill appropriating £3,000 or £4,000 towards the expenses of the Governor-General. That is more than any other State did. The Commonwealth Government advised the Governor-General not to accept anything from an individual State.

Senator DE LARGIE.—We know that it suits the present position for Sydney to take up an exalted attitude like that. But I hold that we shall be laying down a sound precedent in not agreeing to this proposal at the present moment. I do not view the question from any antipathy to Sydney or to the people of New South Wales. If there is one State of the Federation which I admire more than my own State it is New South Wales. I lived there for the greater part of my Australian life. Therefore, I have no feelings of jealousy towards the people of New South Wales. I oppose the Government proposition because, by adopting it, we shall be laying down a precedent that

in the future will operate against New South Wales. I hope that the New South Wales people will not be so warm in their advocacy of this policy, which is certainly not in their best interests.

Senator MCGREGOR (South Australia). —I entirely agree with some of the previous speakers, who have deprecated the action of certain newspapers in the old country in decrying Australia, and in attributing any little disturbance that has occurred in the Commonwealth with respect to expenditure upon Federal or State Governors to the meanness of the Australian people. When the people of England realize that at the inauguration of the Commonwealth New South Wales spent about £150,000 through State and municipal channels, and that Victoria spent almost an equal sum, besides the amount indicated by Senator Symon that was incurred directly in connexion with the Governor-General himself, they will regard that as a complete answer to any charge of meanness on the part of Australia. I am sorry that so much State animosity has been introduced into the criticism of this proposal. It is not creditable to the representatives of the States that we should talk about what the people of New South Wales or Victoria want. I have been in New South Wales recently, and this question appeared to me to agitate the minds of the people there very little. At the inauguration of the Commonwealth, the Government were bound to enter into some arrangement as to the housing of the Governor-General at that time. No question was then raised about the Governor-General living in Victoria or any other State. Everybody admitted that the proper place for the inauguration of the Commonwealth was the mother State. The Government had also to enter into some arrangement with the Government of New South Wales with respect to the future housing of the Governor-General. That was done. The Government of New South Wales then had the power in their hands to a certain extent to make a bargain with the Commonwealth Government, and it was to their credit that they did what they considered to be in the very best interests of the State they governed. As the Government of the Commonwealth entered into an agreement with them, I think it would be very wrong for the Commonwealth Parliament to attempt to upset that arrangement. I do not see that there is anything in the argument with respect to

laying down a precedent. The Government have consented to limit the expenditure to a certain term. If we do that, there is no danger that Victoria will make any attempt to have the Governor-General residing in Melbourne when we have fixed the site of the federal capital, any more than His Excellency will be asked to reside in Western Australia, South Australia, or any other capital city. It will be recognised that, as he is placed at the head of the Government, the Governor-General must reside at the seat of government, and that his visits to the other States may be welcome, but will not be compulsory. The real matter we have to consider is whether the amount asked for is too great or too small. I should like to be as economical as any one else in regard to the expenditure of Commonwealth money, and I would suggest that, if any one thinks the amount asked for is too much, an amendment should be moved to limit the sum without dragging in the name of New South Wales.

Senator O'CONNOR.—If it is to be done at all, it cannot be done for less money than we have asked for.

Senator MCGREGOR.—I do not suggest that an amendment should be moved, but am pointing out that that would be a better course to pursue than the one proposed. It would have been in better taste to move such an amendment. If honorable senators will turn to the experience of the different States, and consider how the Governors have been treated in the past, they will realize that, in voting the amount asked for, they are not consenting, considering the importance of the Commonwealth compared with the States, to the expenditure of money in excess of what the States have spent. Take New South Wales. She paid her Governor a certain amount nominally, but the allowances she voted were nearly as great as, if not greater than, the sum now asked for on account of the Governor-General. The same was the case in Victoria; and in South Australia, with a limited population, the proportion that the allowances bore to the salary of the Governor was not less than the allowance asked for in connexion with the resolution we are discussing. It would be better for us to discuss the question from the point of view of the adequacy or inadequacy of the amount we are voting, and not from the aspect of the relationship of one State to another. I intend to support the

Government with respect to the resolution. No matter what cry may be made about extravagance, the proposed expenditure of the Commonwealth in this instance is not more extravagant than that of the States, and I am willing to take the responsibility of answering for my vote in support of it.

Senator MATHESON (Western Australia).—The terms in which this proposed vote are introduced, are to my mind incorrect. We are asked to approve of the expenditure of £5,500 a year upon the Governor-General's establishment. The money is not to be expended upon the Governor-General's establishment at all; it is to be expended upon the maintenance of two Government-houses. If honorable gentlemen will look carefully at the items which have been placed before us, they will see that not one is to be paid for the maintenance of the Governor-General's establishment. The whole of the money will be paid, not to the Governor-General, whoever he may be, but to those employed by the Commonwealth Government in looking after the Government-houses in Melbourne and Sydney. I draw attention to the matter because several senators have spoken as though the money is to be paid to the Governor-General. It is simply an estimate of what the Government will be called upon to pay each year to keep two Government-houses in a habitable condition, and to provide for their lighting upon public occasions, the replacing of china and glassware, and similar expenses. I am thoroughly of opinion that it is absolutely necessary that the Government should maintain a residence for the Governor-General. Our first Governor-General, the Marquis of Linlithgow, came out here intending to remain six years, but stayed only eighteen months. An Acting Governor-General has taken his place, presumably only for a short time, and he, no doubt, will be succeeded by a second Governor-General, who may or may not remain for the whole term of the office. But, in any case, the money which we are now voting will not be paid to the occupant of the office, but will be spent directly by the Government.

Senator DE LARGIE.—A marquis could not be expected to remain very long in Australia in any case. Look at the society he would have to mix with!

Senator MATHESON.—That remark has no bearing upon what I am saying. The Government must provide a residence for

the Governor-General, and they must maintain it. I am thoroughly in accord with that principle. It is a principle which has been adopted in the United States, in Canada, and in the various States of Australia.

Senator DAWSON.—Have they not a White House in every State in America?

Senator MATHESON.—That I do not know, but the entire expense of keeping White House, Washington, in an habitable condition is borne by the Government of the United States, and, in addition, they spend a large sum, amounting in all to something like £21,000 a year, in paying for the President's secretaries, his carriages and horses, the lighting, the stables, the maintenance of the grounds, and the wages of all the permanent servants, President in and President out. That principle must inevitably be recognised by Australia, whether we wish to be economical or lavish. But there is another question involved in this motion, and that is whether it is desirable or necessary that two Government-houses shall be maintained for the next Governor-General. I am emphatically opposed to such unnecessary extravagance, and I desire the Senate to understand that we are touching here merely upon the fringe of the matter. The expenditure of £2,000 a year in maintaining Government-house in Sydney is in itself only a small matter. Its occupation will entail a very large expense upon the Governor-General apart from its maintenance. That fact was recognised when the arrangement was first suggested by the present Minister for Home Affairs, and when the New South Wales Parliament voted £3,700 in view of the proposal that the Governor-General should occupy two houses instead of one. It was also recognised by the present Treasurer when, in the Victorian Parliament, he introduced a Bill to make a similar provision. I intend to allude to these matters more fully later on, because I do not want any senator to ask what are my secret sources of information, or to say that my statements shock his sense of probability. Those remarks were made on a former occasion, when I put my views on a similar matter before the Senate, and, therefore, I propose now to quote my authority for every statement, so that there can be no airy disposal of the facts which I bring forward.

Senator DOBSON.—But even when one has the facts they must be rightly applied.

Senator MATHESON.—I will give the honorable and learned senator the facts, and he will be able to use his own judgment in applying them. The maintenance of a Government-house in Sydney, and the recognition of the principle that the Governor-General should spend the greater part of the parliamentary recess there, will, in the first place, entail a practice which a solid majority of honorable senators have already objected to—the transfer of the head-quarters of the Ministry to Sydney during the recess.

Senator DOBSON.—I do not think that the fact that the Governor-General is residing in Sydney for a time will necessitate the transfer of Ministerial departments to Sydney.

Senator MATHESON.—It was repeatedly stated during the debate in the other House that the transfer of the head-quarters of the Government to Sydney during the recess would be justifiable because the Governor-General would be residing there.

Senator DOBSON.—The meetings of the Executive Council would, of course, be held wherever the Governor-General happened to be residing.

Senator MATHESON.—If the Governor-General were residing in Sydney, it would be necessary for the members of the Government who reside out of Sydney to travel there from Melbourne, from Adelaide, from Perth, and from other places to attend them. It would also be necessary for such members of the Ministry as resided permanently in Sydney to have their chief clerks and the heads of departments there to enable them to carry on the business of the country. The honorable and learned senator for Tasmania surely does not suppose that Ministers would live in Melbourne if they had to travel up to Sydney once a week to attend Executive meetings there?

Senator DOBSON.—Does the honorable senator think that he can determine where Ministers shall live?

Senator MATHESON.—I do not. But Parliament can put Ministers beyond the temptation of going to live where they have no right to live permanently during their continuance in office, because they are paid their official salaries so that they may attend to the business of the country at the seat of government.

Senator MILLEN.—It is a violation of the Constitution to have the Government offices in Melbourne at all.

Senator MATHESON.—I think that every one will admit that if the Governor-General resides in Sydney, the seat of government will be transferred there. I would have no objection to that if it did not entail upon the Commonwealth a very large and unjustifiable expense. Then, again, no provision is made for the Governor-General's travelling expenses. It is perfectly clear that, if he has to reside in two Government-houses he will, from time to time, have to transfer from one to another, not only himself, his wife, his *aides-de-camp*, and secretaries, but his entire household, his carriages, his horses, his household linen, and everything that, from an English point of view, makes a home. That would entail great expense, and I ask upon whom is it going to fall? It was admitted only the other day that the States have sent in bills to the Federal Government for the travelling expenses of the last Governor-General, and, to my mind, they received a most contemptible reply. The Federal Government, as I gather, intimated to them that they should send in their bills to Lord Hopetoun. The Government took advantage of the well-known popularity and respect in which that gentleman is held, and of the unfortunate position in which he found himself by reason of their action, to say to the States—"Make yourselves odious throughout Australia by sending in your bills direct to Lord Hopetoun." I may be told that this statement is untrue, but I have seen it in the newspapers, and I have not read any contradiction of it. If the last Governor-General had been unpopular, none of the States would have hesitated for a minute. They would have sent in their bills to him, and he, without the assistance of any allowance, would have had to pay them. Only two reasons have been given for the making of this special provision. One is that the Federal Government have entered into an agreement with the Government of New South Wales to occupy and maintain Government-house, Sydney, for a period of three years from the 1st January, 1901. The agreement appears to have been entered into on the 2nd April, 1902. It seems to have been clenched only a few weeks prior to the departure of the Prime Minister for England, and clenched in such a way that

Parliament, up to the very last moment, was prevented from expressing an unbiased opinion in regard to it. No doubt the existence of that arrangement will, and has, influenced a good many votes. Honorable senators will say—"We must support the Executive. The Executive undoubtedly have the right to make agreements of this kind, and they have made this agreement in particular, and, therefore, for the next eighteen months there is a moral, if not a legal, obligation to maintain Sydney Government-house." But here the Government go further than that, and this motion contemplates committing us to Sydney Government-house for another term of five years from the appointment of the next Governor-General. I say it is highly undesirable that that should be done. Let us be content with the fact that we are committed to this extravagance in the way of maintenance for another eighteen months, and leave it at that. Let us pass the amendment that has been proposed, and which I shall support as a protest against the spending of this money. There is no doubt it will have to be spent, but after that it is right that the arrangement should come to a conclusion. The only other reason given for the maintenance of Sydney Government-house is one that was given by the Acting Prime Minister. It was not given in the House of Representatives, and I can, therefore, quote it. It was made during an interview, and was inserted in the newspapers. He said that:—

In the opinion of the Government the importance of the State of New South Wales demanded that the Governor-General should be enabled from time to time to reside in its capital.

That is a reason which has also been submitted here by New South Wales senators and others. The argument is that the importance of New South Wales from the point of view of population and of trade, and from the point of view that it is the oldest of the States, justifies the demand that the Governor-General should reside there. What does it amount to? It amounts to this: The people of New South Wales are desirous of being hospitable to the Governor-General at the expense of the whole community of the Commonwealth.

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Senator Major GOULD. — That is incorrect.

Senator MILLEN.—That is a very unfair thing to say when the honorable senator

knows that New South Wales has offered to provide the money.

Senator MATHESON.—It is, no doubt, a fact that the New South Wales Parliament did vote a certain sum of money, and I propose to deal with that later on in tracing the sequence of events by which Sydney Government-house is sought to be foisted upon the Commonwealth. In passing, as the question has cropped up, I will point out that when Government-house in Sydney was forced upon the Commonwealth, the approbation of the Colonial-office was sought to be obtained for the transaction. The Colonial-office pointed out that if the proposal was carried through, the Governor-General's salary would have to be increased by £10,000. That was an increased cost, according to the then estimate of £3,700 for New South Wales, and the Parliament of that State was at the time only voting their *per capita* proportion of the total sum which their change of programme had entailed, when they voted the £3,700. They were not voting the whole amount required. They were doing no more than it is proposed they shall do now under the existing state of affairs. If we vote this £2,000, the people of New South Wales will be bearing as their *per capita* proportion of the sum required, a sum equivalent to the £3,700 they previously agreed to vote as their proportion of the £10,000, which it was then estimated would be necessary. Therefore, I say, with all due respect to Senators Millen and Gould, that I am not grossly unfair in saying that the Federal Government desire that the people of New South Wales should be put into the position of being hospitable at the expense of the Commonwealth. If the people of New South Wales were to set up this claim to residence in that State by the Governor-General, and the State Government were to say that the extra expense would amount to £3,700, and as that sum had already been voted, and was capable of being exercised for the purpose, they would supply a Government-house free of expense to the Governor-General by using this money for the purpose, I should have nothing to say against it if the other States were prepared to do the same. That, I maintain, is the proper course for the States to adopt if they wish the Governor-General to take up his residence with them, not permanently, but for any length of time. They should supply

the Governor-General with a complete equipment in the city at which they wish him to stop. They should be open-handed in their hospitality; they should provide house equipment, carriages, horses and servants, so that he would need only to get into a railway carriage with his staff and go to the place provided for him, and enter into residence. I should have nothing to say against that.

Senator DAWSON. — Why should they, when they can get other people to do it for them?

Senator MATHESON.—I am objecting that we should be called upon to make this provision. I have stated the only other reason given for this procedure, and I say that none of the reasons given will hold water. If the people of New South Wales desire to have this residence maintained for the Governor-General, let them keep it up at their own cost, and invite the Governor-General to go and stop there whenever he thinks fit. That would be a most proper arrangement, one at which nobody could cavil, and one which would agree at any rate with my views, and I do not see why it should not meet with the acceptance of everybody else. The question now arises as to how it is we find ourselves in this position? It is a most interesting question when one comes to dig into it, and find out what happened, and the extent to which some people have changed their views since the Federal Government have come into power. The matter starts possibly with the meeting of the Premiers in Melbourne, in January or February, 1899. They then met, as will be in the memory of every honorable senator, and slightly amended the Constitution upon which the referendum was going to be taken. They arranged that the future capital of the Commonwealth should be in New South Wales, but not within 100 miles of Sydney. That arrangement met with the approbation of Mr. Reid, but during the course of the ensuing year 1900, Mr. Reid went out of power in New South Wales. Subject to correction, I should say it was about November, 1900, that Mr. Reid went out of office, and Sir William Lyne succeeded him. It is impossible to say absolutely what happened then, because the papers which have been supplied to another place, and which deal with the correspondence which took place between Sir William Lyne and Mr. Chamberlain, have not been supplied to honorable senators. I

believe the papers supplied elsewhere were not very ample and did not give all the information that could be desired. At all events it is a fact that during 1900, Sir William Lyne found himself in communication with Mr. Chamberlain on the question of this Government-house. The first date we have before us is in July, when Lord Beauchamp sent a most extraordinary telegram to Mr. Chamberlain, at the instigation of Sir William Lyne. The message was more or less to this effect—

Lyne is anxious to have your permission to state that you desire Barton to inquire where the Governor-General should reside, and that in answer to your request, Prime Ministers of federated colonies consulted, are agreed to New South Wales.

Here we have a most remarkable condition of affairs. We have Sir William Lyne desirous of suggesting to Mr. Chamberlain the style of despatch he should send to Australia. I desire honorable senators particularly to note this, because so much stress has been laid upon the style of the despatches which Mr. Chamberlain has sent to Australia. The other day, when talking upon a cognate subject, I maintained, as I maintain now, that these despatches did not proceed from Mr. Chamberlain, nor were they sent by his initiation at all, but to a large extent at the instigation of Sir William Lyne. It may be said that I cannot prove it. Of course I cannot prove it; but any person who reads the correspondence, and studies the whole question with an unbiased mind, must come to the conclusion that in this case Mr. Chamberlain's despatches were instigated and inspired by Sir William Lyne, and that, dealing with this particular question, of course, Mr. Chamberlain is not to blame for the tone of despatches which in some measure have given offence to the people of Australia.

Senator MILLEN.—Is the honorable senator suggesting that Mr. Chamberlain was a puppet in the hands of Sir William Lyne?

Senator MATHESON.—I suggest that Sir William Lyne asked through the Governor of New South Wales that Mr. Chamberlain should send out a despatch of a certain character; that he suggested the tenor and even almost the phraseology of the despatch which he desired to have sent.

Senator DAWSON. — Mr. Chamberlain trusted a false guide.

Senator MATHESON. — He suffered from the belief, as I have said before, that

Sir William Lyne was representing the feeling of Australia. When I made that statement on a previous occasion, honorable senators characterized it as absurd, but I assure them that it is the fact. On the 16th July Mr. Chamberlain replied to Lord Beauchamp, as follows :—

Governor-General will be sworn in, and the Commonwealth inaugurated, at Sydney, and if other colonies have agreed to his mainly residing there during recess, His Majesty's Government will not object, subject, of course, to the decision of the Federal Administration.

Here we come to the next point. Mr. Chamberlain had been led to believe that the other States agreed. I say that was absolutely untrue, because the other States had not agreed. It has been denied over and over again that the Premiers of the States had ever discussed this question. I therefore feel justified in making the statement that it is untrue to say that the other States had agreed, basing that statement, of course, on the statements that have been made by representatives of the Government in the Senate and in another place. The Premiers did not discuss this question, and there was no authority for saying that the other States had agreed. That explains to a very large extent the nature of the despatches from Mr. Chamberlain with which we were dealing the other day. That brings us up to the time when Sir William Lyne met his Parliament in New South Wales in 1900. I find from the New South Wales *Hansard* for 2nd November, 1900, page 4715, that he was dealing with a Bill for the expenses of the Commonwealth celebrations in Sydney, and amongst other things that cropped up was this question of where the Governor-General was to reside. We have Sir William Lyne reported as having made the following statement :—

We should have the Governor-General, and he would, no doubt, entertain largely.

I desire that that should be particularly underlined in the minds of honorable senators, because I shall refer to it again.

By-and-by he would submit some provision for an allowance for the Governor-General in reference to the entertainment His Excellency would give.

Mr. MAHONY.—Will he reside here permanently?

Sir WILLIAM LYNE.—Yes. He had not had an easy task in bringing that about.

Further debate ensued, and Mr. Meagher warned the Government not to go ahead too fast. I shall not quote more, because I

think it is not worth while to do so, and honorable senators may, if they think it necessary, refer to the New South Wales *Hansard*. Mr. Meagher saw at once that the Government were rather anticipating events, and he pointed out that Sir William Lyne had no justification for saying that the Governor-General would reside in Sydney; that there was no provision for anything of the sort made in the Federal Constitution; and that Sir William Lyne had to depend on the Federal Government when it met for any such arrangement. For all that, Sir William Lyne went ahead, and, as we find to-day, he has weaved such a cunning web that it is very difficult to break it and restore the matter to its proper position. A little later, on the 30th November, 1900, as honorable senators will find on reference to the New South Wales *Hansard*, at page 6227, Sir William Lyne, in introducing the very Bill to which Senators Gould and Millen have alluded, for the payment of an additional £10,000 to the Governor-General, said—

This is a Bill to make provision for the expenses of the Governor-General. I have had a fairly heavy fight to get the Governor-General's residence permanently established here, but a request has been made by the Colonial-office that the colonies shall pay £10,000 towards his expenses.

Here we have a definite statement. Sir William Lyne bent upon securing what, from the point of view of the people of Sydney generally, was a very laudable object, had expressly—

Senator DOBSON.—Is not the honorable senator making too much of Sir William Lyne?

Senator MATHESON.—No. If it were Sir Thomas Jones, it would be just the same to me.

Senator MILLEN.—Sir William Lyne is to the honorable senator what King Charles' head was to a celebrated petitioner.

Senator MATHESON.—That is an altogether uncalled-for remark. There may be a certain amount of justification for the complaint; but can I avoid Sir William Lyne in this matter? I have not unnecessarily dragged him into the controversy. He was Premier of New South Wales when he introduced these measures, and I cannot deal with this subject without referring to him. If I could refer to him as "Snooks," or by some other name, I should willingly

do so, in order to avoid the impression which some honorable senators evidently entertain that I have some private animosity against Sir William Lyne. I have not.

Senator BARRETT.—We are very much indebted to the honorable senator for the light which he has thrown upon this matter.

Senator MATHESON.—I desire to know with whom Sir William Lyne engaged in the "fairly heavy fight" to which he referred? Obviously he was fighting people who were responsible to the States. They were the only people with whom he could have had to fight. Those who are to-day responsible for the Government case were at that time Premiers of the different States, and although Senator O'Connor will no doubt tell us that it is all bunkum, I can prove that this proposal was opposed by the very gentlemen who, as members of the Federal Government, are now supporting it. Before they joined the Federal Government, they knew that it was wrong, and they fought it with great bitterness. Sir William Lyne overcame their opposition, only with the assistance of Mr. Chamberlain, who, as I have said, was being misled by him. He came out of this fight triumphantly, only upon the condition imposed by the Colonial Office, in the interests of future Governors-General, that the Governor-General's salary of £10,000 per annum should be supplemented by £5,000 per annum for expenses. That, however, is merely a side issue, to which I need make no further reference at this stage. I shall deal with it at some later period, for I can prove the correctness of my assertion. The Governor-General's salary was also to be supplemented by an additional £10,000 per annum. As we have seen from the printed despatches laid on the table of the Senate, Mr. Chamberlain pointed out exactly what I have contended from the first, that a second Government-house would entail additional expense not only upon the Commonwealth, but upon the Governor-General. He was indifferent as to the expenditure which the Commonwealth might incur, for he recognised that it was a matter with which the Commonwealth alone had to deal. But he had to find a Governor-General, and to say to him, as he would have to say to-morrow to a gentleman whom it was proposed to appoint—"We expect you to spend portion of your term of office in Sydney. In order

that that desire may be carried out, the Federal Government have provided a Government-house there as well as in Melbourne. They have undertaken to pay for the cost of caretakers, maintenance, grounds, insurance, telephones, postal charges, china and glass, and flags in connexion with the Sydney residence, and you are expected to live there for portion of the year. You are expected to move your establishment from house to house." When Mr. Chamberlain found himself compelled to give an instruction to Lord Hopetoun to that effect, he wired out at once—"It is impossible to expect a Governor-General to keep up two establishments for the proposed salary of £10,000 per annum." From what I know of the up-keep of such establishments, I feel satisfied that Mr. Chamberlain's view was amply justified. Honorable senators who live in small establishments, like my own, have no idea of the contingent expenses in connexion with the up-keep of an establishment like that which the Governor-General is required to maintain. Nor have they any idea of the enormous expense involved in removing from one house to the other, and keeping up two establishments. It is all very well for Senator Ewing who, like myself, lives in a little cottage, to say that what is saved in one house can be saved in another; but it is impossible to avoid great expense.

Senator Sir FREDERICK SARGOOD.—Hear, hear.

Senator MATHESON.—Senator Sargood, who has a big house of his own, can support my assertion. Those who live in palaces in England know what it means to maintain separate establishments and to move from one to the other. Mr. Chamberlain and Lord Hopetoun knew what it meant, and the Secretary of State for the Colonies indorsed Lord Hopetoun's contention that £10,000 per annum would at the most be sufficient to cover only his expenses for one residence. I will now leave Sir William Lyne and come to Mr. Suttor, who was apparently the leader of the Government in the New South Wales Legislative Council at the time in question. In introducing the Bill in the Upper House he was much more emphatic than was Sir William Lyne, and his remarks, which are those of a gentleman whom I do not know, may be listened to with a great deal of attention. They are to be found reported in the New South Wales

Hansard of 4th December, 1900. Speaking as a Government representative, this is what he said—

A good deal of correspondence has passed between the Colonial-office in England and this Government respecting the position of the Governor-General as regards the colonies, and it has been pointed out that, although the Commonwealth Act provides that the salary of the Governor-General shall be £10,000, if the Governments expect the Governor-General to move from one place to another a further sum will be necessary to meet the increased expenses to which the Governor-General would necessarily be put. This Bill is brought in practically in pursuance of an agreement come to between the Home Government and the Government of this country.

I hope I shall not be out of order in pointing out that, although it has been denied that there was any agreement, Mr. Suttor, a member of the State Government, frankly admitted, at a time when there was no question involved, that there was an agreement between the Government of New South Wales and the Colonial-office, that a further sum of £10,000 per year should be provided. It was under that distinct agreement that Lord Hopetoun came to Australia. Mr. Suttor continued—

If we contribute this amount towards the extra expenses the Governor-General will be put to in visiting one colony and another, it will induce him to stay here.

That was the inducement for which the £10,000 was to be provided by the whole of Australia. I desire to emphasize this point, as an answer to the statement made by Senator Gould and Senator Millen in regard to the vote of £3,700. That is only a portion. Mr. Suttor went on to say—

It must not be forgotten that we have arranged that Government-house shall be placed at his disposal as a residence, and therefore this money will be necessary to defray the cost of keeping up that establishment. In view of the fact that we are going to have the Governor-General here, if we are anxious to make him comfortable, and smooth his way as far as possible, it is not asking the House to consent to an unreasonable thing in agreeing to the Bill now submitted.

I quite agree that it was not unreasonable. It was eminently reasonable, and if the Government had been successful in carrying their proposal, all would have been well. But they were not, and the whole of this trouble arises from that point. What was the attitude taken up by the people of New South Wales? What do they really expect now? We have been told that they do not care twopence whether the Governor-General resides in Sydney or not. I believe that

is so. This is not a movement on the part of the country, and I wish to say that my opposition to it is not inspired by any animosity towards Sydney. As a matter of fact I prefer Sydney as a place of residence, just as the Governor-General would no doubt prefer it. As showing what was the feeling of the people when this Bill was before the State Legislature, I wish to quote an expression of opinion contained in a letter from Sydney written by a Mr. Gullett, and published in the *Argus* of 8th December, 1900—

Sir William Lyne got so far astray as to give solemn assurances the other day to the House (New South Wales) that he had made arrangements that the Governor-General should permanently reside in Sydney. This declaration was greeted as highly satisfactory. But one looks in vain in the Commonwealth Constitution for the clause which gives power to the Premier of New South Wales to arrange where the Governor-General is to permanently reside. And there is much to suggest that as soon as the Federal Premier is appointed, one of his first tasks will be to disabuse the State Premier here of his belief in the possession of a kind of a semi-proprietorial interest in the Governor-General.

I have no doubt that Mr. Gullett's forecast would have been amply borne out but for the fact that Sir Edmund Barton, a gentleman from New South Wales, hand and glove with Sir William Lyne, was appointed Prime Minister. Those two honorable gentlemen being at one in the matter, we find ourselves in this position: that the Senate is partly committed to the maintenance of Government-house, Sydney, for another term of eighteen months. Many of us are placed in the invidious position of having to vote for an amendment, although we believe—at all events I do—that this deals with a matter in which it is undesirable that we should have a dissentient voice. It would have been far better if it could have been avoided; but we are forced to vote in opposition to the grafting of a second Government-house upon the Constitution. In my review of this transaction, I have now got away from Sydney, and reached a stage at which other States became involved. It had been arranged that a Bill should be submitted in each of the State Parliaments to give effect to the proposal to increase the Governor-General's allowance by £10,000 per annum; and Sir George Turner, who was then Premier and Treasurer of Victoria, introduced a Bill in the State Assembly to provide for Victoria's contribution. In the *Victorian Hansard* for the 20th December, 1900, Sir George Turner is reported to have

Senator Matheson.

spoken as follows in introducing that measure:—

At the time that Act (the Commonwealth Act) was passed it was anticipated that the Governor-General would reside in one place, and have one establishment.

I would ask honorable senators to remember that Sir George Turner is now one of Senator O'Connor's colleagues—a member of the present Government, who are supposed to be fathering this proposal.

Senator MILLEN.—He did not indicate in what place the Governor-General was to reside.

Senator MATHESON.—No; but he stated that the Constitution contemplated only one. Does Senator Millen contend that we should not have a Government-house where Parliament meets?

Senator MILLEN.—I say that the residence of the Governor-General in Melbourne goes beyond the Constitution.

Senator MATHESON.—Then the honorable and learned senator is beyond argument. The only deduction to be drawn from his interjection is that he believes that we should not have a residence for the Governor-General in Melbourne, and if the majority of the Senate agree with him, I shall have been speaking in vain. It stands to reason that the only Government-house should be in Melbourne. There must be a residence for the Governor-General here, because Parliament meets in Melbourne. Sir George Turner went on to say—

His permanent residence appears, by some arrangement, to have been fixed in Sydney.

Sir George Turner expressed his surprise—I think that is a fair construction to put on his remark—that this arrangement should have been made. He was not a party to it; he did not know of it. He evidently anticipated that the Governor-General's residence would be in Melbourne. But he says the Federal Government were committed—that was in December, 1900, before there was a Federal Government.

Under these circumstances it is thought that it is unfair to ask the Governor-General on a salary of £10,000 per annum to keep up a second establishment.

He, therefore, proposed that Victoria should vote her quota of the allowance of £10,000, in order that His Excellency might keep up a second establishment—in Sydney. I wish to impress upon the Senate that Government-house in Sydney is going to entail, according to Sir William Lyne, Sir

George Turner, and their colleagues in office in both New South Wales and Victoria, a large additional expenditure on the Governor-General for which we are making no provision, and for which, I say without any possibility of contradiction, we do not intend to make any provision, because we are opposed to any increased expenditure in that direction. Sir George Turner went on to say—

There was apparently a good deal of correspondence between the home authorities and the New South Wales Government on this subject. Circumstances have arisen which were not in the minds of those framing the Constitution, and it becomes necessary for the colonies individually to say to what extent they are prepared to go in assisting to bear the expense of the second establishment. Can we expect him to keep up two establishments when he only gets paid for one. Is it fair to expect him to keep an establishment in Sydney as he has to do, and also to keep an establishment in Melbourne on the one pay?

That question was put by a member of the Federal Government who is not proposing to increase the pay of His Excellency.

When the federal capital is established and the Governor-General has one establishment to keep up, the Bill will fall through.

It is perfectly clear that it was not the intention of those who were at the head of affairs in the States, prior to December, 1900, that there should be two Government-houses, or, in fact, anything but one Government-house where the Parliament met. What happened next? A Prime Minister was appointed, and, as we all know, the Cabinet met and discussed this vote which had been made in New South Wales, and although they knew perfectly well that the Governor-General could not keep up two establishments on the one pay, they decided to recommend His Excellency not to accept the additional remuneration in the way in which it was proposed to be given to him from New South Wales, and I think they were right. I do not think that His Excellency could have properly accepted an increase of salary from any one State, but I submit that if the Government had had the least glimmer of common sense, they would have suggested to the Government of New South Wales that the Government-house in Sydney should be kept up by that State for the purpose of entertaining His Excellency whenever he chose to visit that city. They should have let drop this idea that it was to be an official residence. They should have been prepared to hospitably receive His Excellency as a guest

whenever he chose to visit that city. With this vote of £3,500 they were in a position to say to him, as they might say to his successor if we refused to sanction this vote of £2,000—"Here is a Government-house in which your Excellency can reside whenever you like to come here. There are servants, grooms, horses, carriages, harness, lighting, everything that may be required, whenever it suits you to come, and we shall be pleased to welcome you." If they had done that, nobody would have had the least objection to raise, and the matter would not be in the position in which it is. It must not be supposed that even this additional £10,000, which was to have been voted by the States, was really, in the opinion of the Colonial Office, sufficient, because it was not. It appears that for the use of the Convention an estimate of the cost of the new services of the Federal Government was drawn up by the gentleman who was chairman of its Finance Committee, and who is now Speaker of the House of Representatives. In that scale of expenditure a provision of £5,000 was made, on the Victorian rate, for Government-house in Melbourne alone—practically what is now contemplated to be done with the £3,000. This sum of £5,000 appeared in the papers which were laid before the Convention, and was afterwards, according to Mr. Barton's admission, in the hands of Mr. Chamberlain as part of the public provision to be made by the Commonwealth towards the expenses of the office, and was undoubtedly in his mind as one which would be made when he insisted upon the further sum of £10,000 being provided. I wish the Senate to bear in mind that when the matter was first discussed, Mr. Chamberlain considered that £25,000 a year would have to be provided for keeping up Government-house in Melbourne and enabling the Governor-General to reside at Melbourne and Sydney. I do not say that he was right, nor do I say that the Commonwealth is in any sense bound to that view. What I wish the Senate to remember is that, in the opinion of those who had to find a Governor-General £25,000 a year, was approximately the sum which His Excellency would require to have at his disposal if he was going to do his business properly with two Government-houses. Mr. Chamberlain cannot go out into the street and pick up a Governor-General at every corner. These

are matters which have to be arranged. He has to find a suitable person. We do not want a nincompoop to come out here, and I think that the country would sooner have a person of intelligence than a person of wealth—I know that I should. I should like to see the Governor-General's position placed on such a sound foundation that Mr. Chamberlain could choose a man of the highest intelligence available, not necessarily a man to whom money is no object, because very often when we get such a man he is of no use for the purpose for which he is wanted. In my opinion we want for Governor-General a man of capacity, and not necessarily a rich man; and the provision for his establishment ought to be made in such a way that he has not necessarily to trench on his private resources. I submit emphatically that if the Senate, or the House of Representatives, or the Parliament, is to settle the matter in this off-hand manner, as if it were merely assenting to £2,000 of Commonwealth expenditure—if we are to throw on the Governor-General the responsibility of living in two Government-houses, and of going from place to place, undoubtedly we shall have either to increase his salary or to accept a man whose wealth is his only recommendation, and that is a thing which I deprecate most strongly.

Senator DOBSON (Tasmania).—I hardly like to intervene in the debate on this well-worn subject, but I desire respectfully to enter my protest against two or three opinions which have been expressed by various honorable senators. It appears to me that the Government did what they were practically compelled to do, and had any other set of men been in office I believe that they would have felt compelled to do exactly the same. I consider that Senator Matheson, as I said by interjection, has made rather too much of what Sir William Lyne has done. When that honorable gentleman was Premier of New South Wales, and was rightfully and politically trying to do the best he could for the State which he helped to govern—

Senator MATHESON.—But we should not be bound by that now.

Senator DOBSON. — Quite so. The honorable senator will see that what Sir William Lyne told the Legislative Assembly of New South Wales he had arranged to be done has not come to pass, because the Governor-General has not resided permanently in the mother State, and when he

does go to reside there permanently, it will be quite time enough for the Senate to protest. It appears to me that Mr. Chamberlain practically decided that the Governor-General should land at Sydney, and take up his residence there at the commencement of the inauguration of the Commonwealth. The Ministers of the day would have been blamed, and rightly blamed, had they not provided Lord Hopetoun with proper and sufficient accommodation, and when the Government of New South Wales placed their very charming Government-house and grounds at the service of the Commonwealth, it was the duty of Ministers, I think, to accept the offer—paying no interest or rent, but simply paying for the up-keep of the establishment. I do not at all agree with those honorable senators who say, in a fit of economy, which we all wish to practice, but which we wish to practice in a proper way, that the Governor-General must of necessity have only one residence. Senator Matheson, who has gone into this matter most clearly, and put his case most skilfully, has rather forgotten that the foundation of all his arguments is wrong; that is to say, he forgets that in the past the State Governors have been provided with practically two residences. When it is remembered that the Governor-General is expected to visit each State—and he ought to do so at suitable times—it seems to me to be drawing the line altogether too narrowly to say that there must be only one Government-house. I do not at all agree with the argument that every State has an equal right to the residence of the Governor-General there.

Senator HIGGS.—No one said that.

Senator DOBSON.—One honorable senator did use some words to that effect.

Senator MATHESON.—So every State has, I maintain.

Senator DOBSON.—I differ respectfully from my honorable and clear-headed friend. Take my own State. When the Governor-General came to Hobart, as he did for several weeks last summer, what did he do? He was brought in contact with 30,000 persons, and perhaps most of them saw him. When he goes to Sydney he is brought in contact with 350,000 persons. Does any one mean to tell me that His Excellency is bound to spend an hour among 30,000 persons for every hour which he spends among a third of the total population of the Commonwealth? It is idle to say that Western

Australia or Tasmania has the same right, if there is a right about the matter, to the residence of the Governor-General, as have the larger States? We have heard a little about the climatic conditions of the various States, but I make bold to say that if Lord Hopetoun had continued to reside in Melbourne, it would have been absolutely necessary for him, for the sake of his health, to spend the winter, or a part of it, in Sydney or Brisbane, or some warmer climate than this. Although our next Governor-General may be a much stronger man, some of the members of his family may not be able to stand the severe winter in Melbourne, and it may be necessary for them to seek change of air. Are we to deny to our Governor-General the same privileges and rights that have been extended to States Governors for half a century? Are we going to prevent him from going into the country or into another State for a change of air? If not, how are we to offer this facility? Although I do not go the length of saying that a residence should be provided for His Excellency the Governor-General in each State—because he would not have time to occupy them—I contend that, wherever the capital may be, we should have some sort of residence for the Governor-General in the two largest States of the Commonwealth. Senator De Largie stated that when the federal capital was established it would be claimed on behalf of Melbourne that the Governor-General ought to occupy an official residence there during a certain portion of the year. Supposing that we do—I hope that we shall not—build the federal capital at Bombala or Tumut, will the Governor-General be supposed to reside in a capital carved out of the bush, which will for some time be a mere village? Will he not be allowed to visit the great centres of population? Such an idea would be perfectly monstrous; and if the people of Melbourne intimated that they expected the Governor-General to reside in Victoria for a few weeks each year, and offered to place Government-house at his disposal, would honorable senators say that they were asking for more than they were entitled to?

Senator MATHESON.—Yes, if the Commonwealth were expected to pay the expenses.

Senator DOBSON.—The idea of gathering, from the various States, upon a population basis, contributions aggregating £10,000

per annum in order to meet the expenses incurred by the Governor-General in visiting the various States was a very good one. New South Wales went so far as to pass an Act providing for her share of that sum. It was acknowledged that if the people of Sydney were to derive the benefit of the entertainments, large or small, given by the Governor-General they should be prepared to pay for it. Victoria, however, refused to vote the necessary money, and the scheme fell to the ground. The very fact, however, that such a scheme was initiated and carried to a certain length shows that some people recognise, as I do, that if the Governor-General is to be expected to travel about from State to State—and no Governor-General can move without spending a considerable sum of money—we shall have to increase his salary beyond £10,000 per annum. The only question is what is the right way to do this? No one can blame the Government for having undertaken to maintain Government-house, Sydney, for three years. They were obliged to accommodate his Excellency in Sydney at the time of the inauguration of the Commonwealth, and they did right to accept the offer of the New South Wales Government, placing Government-house at His Excellency's disposal. It is perfectly idle to try now to defeat this motion, because, if the amendment were carried, we should still have to incur the cost involved in maintaining Government-house at Sydney.

Senator MATHESON. — For eighteen months.

Senator DOBSON.—We have used Government-house, Sydney, as a residence for His Excellency the Governor-General, and having done so, we must carry out the arrangement entered into. If we adopt the amendment, it will place us in a humiliating and stupid position. I do not propose to enter at any length into the vexed question where the federal capital should be, or when it should be established.

Senator HIGGS. — The honorable and learned senator said it should be at Bombala.

Senator DOBSON.—I said nothing of the kind. What I did say was that I hoped that the establishment of the federal capital would be deferred for some years, because I should regard it as absolutely criminal and wicked for us to make any attempt to establish a federal capital until after the expiration of the book-keeping

period. If we are to delay the establishment of the federal capital, as I think we must, if we have any common sense, the fact that we have residences for His Excellency the Governor-General, in Sydney as well as in Melbourne, will help us to carry out that idea without running the risk of engendering ill-feeling between the States. We should then be able to do the parent State some justice.

Senator MILLEN.—Some justice?—some pretence of justice!

Senator DOBSON.—The whole question of justice does not depend upon our beginning to lay the foundation of a federal capital in New South Wales at a time when we should be most concerned in settling the principles of government and putting our affairs in order. I say again, that the maintenance of establishments for His Excellency the Governor-General, in both Sydney and Melbourne, will assist us to consider in a proper and statesmanlike spirit the great question where the capital is to be.

Senator MATHESON.—How does the honorable and learned senator suggest that the increased expenses incurred by His Excellency in maintaining two establishments should be met?

Senator DOBSON.—I have already said that we cannot expect the Governor-General to visit all the States of the Commonwealth without making some further contribution towards his expenses.

Senator MATHESON.—The honorable and learned senator admits that we must give him something more.

Senator DOBSON.—Yes, freely. The honorable senator also seems to think that the expenses of the Governor-General whilst he is travelling should be paid, because he said that if the States Governments had rendered accounts for the railway travelling expenses of His Excellency the Governor-General within their respective territories, they would have made themselves odious. The honorable senator admits that if the Governor-General is travelling about, his expenses must be paid by some one. If the next Governor-General happens to be a quietly disposed man, he will probably be satisfied to settle down at Melbourne, and go nowhere and do nothing, but that is not what we expect of our Governors-General. Senator Higgs does not appear to realize the conditions under which he lives. He devoted a great part of his speech to an

endeavour to pick to pieces a Constitution which is the pride of the world. He seems to have forgotten that the British Constitution is so splendidly balanced between the Crown and the people that it works more smoothly than any other he can name. The honorable senator referred in sneering terms to the Governor-General being a mere mouthpiece, but I would point out to him that His Excellency might have withheld his assent to the Pacific Islands Labourers Bill and other measures of a similar kind, and that if we go much further with such vagaries the next Governor-General may exercise his right in this direction. It is idle for the honorable senator to attempt to pick to pieces the Constitution under which we are proud to live. Senator Stewart seems to pass his nights in coining phrases, and his days in delivering himself of them in this chamber. The honorable member referred to certain persons who basked in the sunshine of Vice-Royalty, and were never satisfied unless they were crawling on their bellies before some potentate whom they considered to be better than themselves. If my honorable friend is not in love with the aristocracy of to-day, let me remind him that there is such a thing as an aristocracy of labour. There are men who climb up the ladder—whether the social or the industrial ladder—and form the aristocracy of their class, and who are proud of it, and exact respect from their fellow men. Those who do not cultivate their minds and regulate their lives cannot expect to attain to these high levels, and it is futile to argue in the way in which the honorable senator did, as if all classes should be merged into one mass, and that there should be no distinctions between the highest and the lowest. The Governor-General, as the representative of the Crown, is entitled to our fullest respect. The King had five residences. He has recently given up one to philanthropic purposes, but he still has four. To confine our Governor-General to one residence would place the whole of our arrangements upon too narrow a basis. I shall certainly vote for the motion.

Senator MILLEN (New South Wales).—As far as the retention of Government-house in New South Wales is concerned, it means nothing to me, and I venture to say that it means very little to a large majority of the electors of my State—viewed entirely from the personal stand-point. There is

one alleged reason which can have no possible weight with them. It has been stated that an attempt is being made to retain a residence for the Governor-General in Sydney on account of the money circulated by His Excellency when he is residing there. I repudiate that idea altogether.

Senator HIGGS.—That was said by Senator Gould.

Senator MILLEN.—What I am referring to was stated by Senator De Largie. It would be utterly unworthy of any honorable senator to suppose that the representatives of any State would advocate anything they did not otherwise believe to be correct, merely with a view to secure the expenditure of a few thousand pounds amongst the electors of their State. New South Wales would feel, as I do, most indignant if it were suggested that it was desired that the Governor-General should reside in Sydney merely for the sake of the few pounds the residents might make out of it.

Senator HIGGS.—Why does New South Wales want to have the Governor-General in Sydney?

Senator MILLEN.—I shall tell the honorable senator, not why we want the Governor-General to be in Sydney, but why we have a right to his presence there. We cannot help recognising one very pleasant result that has been brought about by the presentation of this motion to the Senate. It appears to have acted as a kind of magic panacea, and to have brought about the instant restoration to health of Senator Matheson. Coming from a bed of illness, he has given us an evidence of his complete restoration to mental energy and bodily vigour, which we are all delighted to see. I desire to mention the reasons why I intend to support the motion. If honorable senators will allow me to say so, it seems to me that they entirely misunderstand the position. I quite agree with those who urge that there is no absolute necessity for a second residence for the Governor-General, but the question is, where should the one residence be?

Senator BARRETT.—At the seat of Government.

Senator MILLEN.—I shall deal with that point presently. The people of New South Wales do not think that the federation is making any concession in allowing the Governor-General to reside in New South Wales. They consider that the boot is on the other foot, and that they are

making a concession when the Governor-General leaves New South Wales officially. Whether that view is right or wrong I wish honorable senators—believing that they desire to maintain friendly feelings between the States—to consider the frame of mind of the people of New South Wales when they accepted the present Constitution. They were told by the Vice-President of the Executive Council—not as a candidate seeking election at the hands of the people, but as the legal adviser of the Government—that the seat of government could not under the Constitution be fixed outside of New South Wales.

Senator BARRETT.—There were other authorities who differed from him.

Senator MILLEN.—That may be so. I do not wish to put myself up in opposition to an expert legal adviser like Senator O'Connor. The point is that it was with the knowledge of that opinion that the people of New South Wales accepted the Constitution, and it is also with the knowledge of that opinion that they view the debate here to-day. What did Senator O'Connor say then. He said—

The fixing of the seat of Government even temporarily—

I desire Senator Barrett's special attention to this.

Senator BARRETT.—Lawyers give opinions that will please their clients every time.

Senator MILLEN.—There is no necessity to argue that point with the honorable senator. That excuse may suit him, but I ask him to consider the belief which animated the people of New South Wales when they accepted the Constitution, and to put himself in the position of persons who, having entered into the union upon the understanding that certain things would be granted, find that an attempt is being made to filch something from them.

Senator BARRETT.—Was the vote given solely on the ground referred to by the honorable senator?

Senator MILLEN.—The honorable senator knows as well as I do that that vote in Sydney was the turning point in connexion with the success of the whole scheme. The Vice-President of the Executive Council said—

To fix the seat of government even temporarily outside New South Wales would be as much a breach of the Constitution as to fix it permanently outside New South Wales.

He went on to say—

For these reasons I am clearly of opinion that under no circumstances can the Federal Executive, or any other authority, legally fix the seat of the Government of the Commonwealth outside New South Wales.

Whether that opinion was right or not, it certainly was accepted by the people of New South Wales as being right; and in the belief that it was right they voted for the Constitution—a Constitution which told them that the seat of government and the residence of the Governor-General were to be within New South Wales. They were to be outside the 100 miles, but still within the territory of New South Wales. But what happened? The people having accepted the Constitution in that belief, it was discovered later on, as pointed out by Senator Matheson, that at the time the Bill was framed many things were not foreseen. It was discovered that it would be an extremely inconvenient thing to keep the Governor-General away from the place where the Parliament of the Commonwealth was sitting. That was clearly recognised; and there is not a single man in New South Wales who, recognising the exigencies of the situation, would, for one moment, object to the Governor-General living in Melbourne during the time Parliament was sitting here, although they know that, according to the view of the Vice-President of the Executive Council, it would be an illegality for him to do so. As I say, New South Wales people do not object, because the practical requirements of the situation demand that the Governor-General shall live in Melbourne while Parliament is located here. But they think, nevertheless, that they are entitled to have the Governor-General living in their midst during such times as the sittings of Parliament in Melbourne do not require his presence here. But what has resulted from that? We now know that it is claimed as a right that the Governor-General shall live in Melbourne—that it is quite right that he shall live out of New South Wales. There is not a single word in the Constitution to justify that contention. Therefore, we are not asking for a concession when we ask that the official residence of the Governor-General shall be in our State. It is a right that is conferred upon us by the Constitution, and it is a concession on our part to allow the official residence of the Governor-General to be temporarily in Melbourne. I

Senator Millen.

do not believe that the people in New South Wales as a whole care very much where the Governor-General officially resides. They like to see him, I have no doubt; they show that every time he visits their State. But there is another reason why the Senate should carry this resolution. Honorable senators have had ample evidence this afternoon of an attempt which will be made sooner or later to delay the settlement of the question of the selection of the capital site. Now, there has grown up in New South Wales—I am not concerned with whether this feeling is ill or well founded, but only with the truth that it exists; I am simply relating facts—and it is a fact that in New South Wales to-day there is a strong belief that the provisions of the Constitution dealing with the allocation of the capital in that State will sooner or later be pushed aside. We have had a suggestion this afternoon that the Constitution, if it is not to be violated, should at least be suspended in that particular.

Senator STYLES.—Not from a Victorian senator, remember.

Senator MILLEN.—But we have it every week from the Victorian journals. Scarcely a week goes by without the two great journals of Victoria putting forward a plea for the breaking of that provision of the Constitution. The *Argus* has got to such a stage that it regularly scoffs at the idea of what it calls a “bush capital.” If we can judge from the attitude of the Victorian press, these views are put forward as a threat, and there is a feeling on the part of the people of this State against the carrying out of the provision of the Constitution.

Senator Sir FREDERICK SARGOOD.—Then they do not represent Victorian opinion.

Senator MILLEN.—I am very pleased to hear that remark from Senator Sargood. I am not concerned just now with the question whether the view that has been put forward is generally entertained in Victoria; but I ask whether in the face of these views which are urged, any one can blame the people of New South Wales if, seeing these continuous statements, they believe that there is a tendency towards the violation of the provisions of the Constitution? I ask those who wish to see this Constitution work smoothly for the good of all—those who do not want, by a policy of pin-pricking towards the mother State, to bring about friction—to vote for this resolution; otherwise I venture to say that the policy

of which I complain is likely to lead to far more serious consequences than some people imagine. I ask whether it is worth while to add to the feeling of bitterness and anger that animates the large majority of the electors of my State. I have given reasons to warrant the vote I shall give. Perhaps I have spoken with some warmth; I judge from the expressions of honorable senators that I have done so. But if I have spoken warmly on the subject, I can assure the Senate that the feeling which animates me is as an iceberg compared with the feelings of the great body of the electors in the State of New South Wales.

Senator BARRETT.—It must be bad there then!

Senator MILLEN.—It is so, and if the honorable senator doubts my statement, let him visit New South Wales and judge for himself. I ask honorable senators to recognise the difficulties that must exist in the early stages of this union. I request them, in the interests of peace and good-fellowship, to give way on this point and to cast a vote which will go a long way towards satisfying the people of New South Wales. Whatever delay may take place concerning the ultimate choice of a capital, the passing of this resolution will show the people of New South Wales that there will be no ultimate attempt to deprive them of the advantages conferred upon them by the terms of the Constitution.

Senator DAWSON (Queensland).—I am exceedingly pleased to know that this motion has restored Senator Matheson to health, and that he has succeeded in imparting some life and vigour to Senator Millen, even though his speech may have made the rest of the New South Wales senators deadly sick. Senator Millen bases the preposterous claim made on behalf of the State of New South Wales upon some provision that he says is in the Constitution. I should like to know in what particular part of the Constitution he finds the obligation which he says is cast upon us of compelling the Governor-General to reside in Sydney? Where is that provision to be found anywhere in the Constitution?

Senator MILLEN.—There is an obligation in the Constitution that the Governor-General shall reside in New South Wales.

Senator DAWSON.—When? The honorable senator has been very eloquent and

very forceful in talking about carrying out a distinct obligation, and about faithfully fulfilling some understanding in accordance with which the New South Wales electors agreed to come into the federation. He says that they understood that the seat of government was to be in New South Wales, and that the Governor-General was to reside where the seat of government was located. But, surely, the honorable senator knows that it was recognised all over Australia that the distinct understanding was that, until the capital had been fixed in New South Wales, the seat of government was to be in Melbourne.

Senator MILLEN.—No.

Senator DAWSON.—I say that undoubtedly it was so. As far as concerns Queensland, it was the distinct understanding there that, until the capital site was definitely fixed upon, Melbourne was to be the seat of government. No other State was to participate in the federal government of this Commonwealth until the federal city was established somewhere in New South Wales, 100 miles from Sydney.

Senator Major GOULD.—That is not so.

Senator DAWSON.—There was even a specific condition that Sydney was not to be the seat of government. The seat of government was actually to be 100 miles from Sydney. What is the use of Senator Millen rolling out a stream of fiery eloquence such as, I have no doubt, would transfix a New South Wales audience, when he knows that the claim he has set up does not exist? It is now evident that under some circumstances these New South Wales people can become a happy family. During nearly the whole of the session we have found them to be most excellent representatives of the antipodean Kilkenny cats. When they come to divide the spoil among themselves, they fight in the most acrimonious manner, but when it is a question of collecting the spoil from the rest of the States for the benefit of New South Wales, they are the happiest family alive. To realize the truth of that remark, honorable senators who have seen how united they are on this question, have only to recollect their attitude with regard to other matters last night. I regret very much that this question should have been brought forward on a Friday, when honorable senators are desirous of closing the sitting early. Certainly, I do not wish to do anything to

cause inconvenience to any honorable senator. But I confess that I feel very strongly upon the question, because I think that, hanging upon it, is the whole question of whether we are going to countenance the policy of keeping up two Government-houses in this Commonwealth. Are we going to keep up an establishment at the seat of Government and another establishment in New South Wales? If we pursue that policy, certainly we must keep up more than one Government-house; I contend that we must go the whole way and provide means for the up-keep of a Government-house in every State in the Commonwealth. Every other State has just as much claim upon the taxpayers for the up-keep of a Government-house as has New South Wales under present circumstances. If New South Wales can make good a claim that we shall keep the Sydney Government-house in a state of repair, the result will be that even after the capital has been fixed at Bombala, or elsewhere, Victoria, in its turn, will have a perfect right to put forward a claim that the Commonwealth shall keep up the Melbourne Government-house as a residence for the Governor-General at the expense of the Commonwealth of Australia. If Victoria presented a claim of that kind, we should laugh it out of court on account of its absurdity; and we ought also to laugh this claim of New South Wales out of court for the same reason. New South Wales has no more claim than has Hobart. At any rate, so far as I am concerned, I state unhesitatingly that I fail to see why the people of the Commonwealth should contribute to the up-keep of a Government-house in Sydney, when it is considered that Sydney is not at present the seat of government, whereas Melbourne certainly is. I fully recognise the other claim that has been put forward for this motion, and which is, I think, the only legitimate claim that has been urged to-day. That is, that evidently some person or other in authority has already entered into an agreement with the Government of New South Wales that they should lease Government-house, Sydney, to the Commonwealth for a period of three years. That has been done on the authority of Ministers of the Commonwealth. It is an obligation which we cannot honorably repudiate. But while sticking honestly to that agreement or contract, or whatever it may be called, there is no reason whatever

Senator Dawson.

which has yet been brought before me which will induce me to go beyond that point. We should stick hard and fast to our bargain as to the time for which we have leased Government-house, Sydney. The Senate should, whenever the opportunity presents itself, unmistakably declare that it is of opinion that the Governor-General should not occupy a house in Sydney as well as in Melbourne. Senator Millen supported the ridiculous argument of Senator Ewing, that to provide a residence for the Governor-General in Sydney as well as in Melbourne would be an arrangement similar to that of the States in providing town and country residences for their Governors.

Senator MILLEN.—No, I did not.

Senator DAWSON.—Some of the other speakers who support the motion certainly did so. We must not forget that most of the enthusiastic support which the proposal has received has come from representatives of New South Wales, who, I feel certain, would not have been so eloquent in praise of it if the proposal had been that the second Government-house should be in Brisbane, or in some other State. I am satisfied that the beginning and the end of Senator Millen's advocacy of the arrangement is that Sydney will reap the benefit of it. It has been suggested to us that had the people of New South Wales known before the referendum was taken that the Governor-General would not reside in Sydney because the seat of government would be in Melbourne, they would not have joined the Federation. We are to understand that they would have said, "If you do not give us a turn to look at your pretty boy, we will not play in your yard." While that statement may accurately express the feelings of the respectable little coterie who visit Government-house on Thursday afternoons, it does not express the opinions of the great body of the population of New South Wales, who, I believe, do not care two straws where the Governor-General resides either during the session or in the recess. I refuse to countenance a policy which I regard as unwise, unnecessary, and extravagant. I believe that we lost an excellent man in Lord Hopetoun, because he thought that it was incumbent upon him to maintain two residences, and he found that he could not do so without dipping too deeply into his private purse.

Senator DE LARGIE.—He did not do too badly, anyway.

Senator DAWSON.—However that may be, I believe that the main reason for his hasty resignation was that he found it impossible to fulfil what he regarded as an obligation imposed upon him by his position to maintain two residences. We should give our Governor-General to understand that that is not required of him; that he is to reside at the seat of government, and to pay visits to the States when possible. Sydney has no more call for the presence of the Governor-General than has Hobart or any other State capital. I trust that Senator Higgs will withdraw his amendment, so that I may move an amendment which I think will better fit the case, and will evade the objections which have been urged against that now before the Senate. We must faithfully carry out the contract which has been entered into with the Government of New South Wales, but we should not leave it open to whatever Ministry may be in power to make a similar contract after the expiration of the present one without our approval and consent.

Amendment, by leave, withdrawn.

Amendment (by Senator DAWSON) proposed—

That the following words be added to the motion :—“ But this House deprecates the maintenance of two Government Houses, and suggests that the expenditure on Sydney Government House be limited to the term of three years.”

Debate (on motion by Senator PULSFORD) adjourned.

Senate adjourned at 4.9 p.m.

House of Representatives.

Tuesday, 2 September, 1902.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

PETITIONS.

Mr. HUME COOK presented a petition from John Robertson, M.A., of Moonee Ponds, praying the House to take into consideration the state of the money laws, with a view to their reform.

Petition received.

Mr. TUDOR presented a petition from the cement manufacturers of the Commonwealth, praying the House to retain the duty upon cement at 9d. per cwt.

Mr. R. EDWARDS presented a petition from certain residents in the electorate of Woollongabba, near Brisbane, protesting against the removal of the post-office from Logan-road to Stanley-street, South Brisbane.

Petitions received and read.

CUSTOMS ACT AMENDMENT.

Sir WILLIAM McMILLAN. — Has the Minister for Trade and Customs considered the advisability of introducing a short Bill to amend the Customs Act, so as to ameliorate in some degree the position of those who commit errors in connexion with the transaction of Customs business, without impairing the power of the Minister to deal as stringently as possible with those who are guilty of attempts to defraud the revenue?

Mr. KINGSTON.—A number of matters connected with Customs administration now form the subject of ministerial consideration, particularly in connexion with communications which I have recently received from Chambers of Commerce and other bodies in reply to my request for information. I have not finally dealt with those communications, and am unable at this moment to give my honorable friend the answer he desires; but if he will give notice of his question, I shall be glad to answer it at a later date.

SOUTH AUSTRALIAN DRILL INSTRUCTORS.

Sir LANGDON BONYTHON.—I wish to know from the Acting Minister of Defence whether he has received from Major-General Hutton replies to his questions as to the employment of the ten drill instructors who were recently sent to South Australia? I ask the question because I have been told on very good authority that there is a real danger of the men taking to drink as the result of sheer want of employment?

Sir WILLIAM LYNE.—I do not think there is the danger which the honorable member fears. The General Officer Commanding has been in Sydney for the past ten days or a fortnight, and perhaps for that reason I have not yet received replies to the questions which I have asked.

HOLIDAYS: POSTAL DEPARTMENT.

Mr. GLYNN.—Yesterday, being a State holiday in South Australia, was observed in the Defence and Customs departments there, but the men belonging to the Post and Telegraph departments were, through some blunder, compelled to attend at the various offices, and were kept at work for about two hours. A similar mistake occurred in regard to the observance of Easter Saturday. I should like to know how the blunder happened, and what rule is to be adopted by the department in the future?

Mr. DEAKIN.—The Postmaster-General has inquired into the matter, and has ascertained that the mistake occurred because, while the regulations issued by the Post and Telegraph department make provision for the observance of certain holidays only, these have been overridden by the determination of the Government that all holidays proclaimed by the Government of any State shall be observed by the Commonwealth officers in that State. The two holidays to which the honorable and learned member for South Australia has referred are statutory holidays which should have been, and, in future will be, observed by the Post and Telegraph officials in that State.

Mr. BATCHELOR.—Is it intended to give the men who were compelled to work yesterday another day?

Mr. DEAKIN.—Some concession may be extended to them; but I understand that they were kept at work for only two hours.

NORFOLK ISLAND.

Mr. FULLER.—Has the Acting Prime Minister received any communication from the Governor or Premier of New South Wales in regard to the condition of affairs at Norfolk Island, and, if so, does he object to lay it on the table?

Mr. DEAKIN.—So far as I remember, we have received no communication on the subject from the Premier of New South Wales, but a few weeks ago an enquiry was made through the Governor of that State—in whom, and not in the Government of New South Wales, the control of the island is vested—as to the willingness of the Commonwealth to take charge of Norfolk Island if he desired to transfer his authority to the Commonwealth. Our reply was that the Commonwealth is willing to accept the responsibility.

WAGES: TELEGRAPH CONSTRUCTION BRANCH.

Mr. SPENCE.—Is the Minister representing the Postmaster-General aware that some of the men of the telegraph construction branch are paid their wages at the beginning of the month, and others not until many days afterwards?

Mr. DEAKIN.—Does the honorable member refer to men working at the same place?

Mr. SPENCE.—Yes; and engaged upon the same job. I am referring to what has taken place in Sydney. This practice has been in existence for several months. I wish to know if the Postmaster-General will see that it is discontinued. I have already brought it under the notice of the Government.

Mr. DEAKIN.—The attention of the Postmaster-General will be called to the matter. This is the first occasion upon which it has been mentioned, so far as my knowledge goes.

ORDER OF BUSINESS.

Sir WILLIAM McMILLAN.—Will the Acting Prime Minister make a short statement to the House in regard to the business for the remainder of the session?

Mr. DEAKIN.—It is absolutely impossible to deal with either the Judiciary Bill or the High Court Procedure Bill this session; but my former statement on the subject has been misunderstood. I did not attribute to the House the desire not to pass those measures, nor did I assert that there is a majority opposed to them. What I said was that at this period of the session a large number of honorable members, especially on the Opposition side of the Chamber, consider that time will not permit of their being dealt with. The Loan Bill, Loan Appropriation Bill, Government Inscribed Stock Bill, and Interim Payments Bill are Bills which depend upon the acceptance by the House of the Budget proposals of the Treasurer. In addition to those, I know of no measure of importance remaining to be dealt with, except the Bonus Bill, which is set down for consideration this afternoon. We have been asked to introduce a measure to amend one section of the Public Service Act, to provide for greater convenience in administration, and another minor financial measure has been mentioned, while the acting leader of the Opposition this afternoon asked the Minister for Trade and

Customs if he intends to introduce an amendment of the Customs Act. With similar exceptions, the notice-papers of this and the other Chamber contain practically the whole of the business with which we intend to conclude the session. Although the message of the Senate relating to the Customs Tariff Bill cannot be received until tomorrow, it has, I believe, been published *in extenso* in the press, and I hope, therefore, that as time is extremely valuable, honorable members will be prepared to enter upon its consideration directly it is received.

Sir WILLIAM McMILLAN.—If we can dispose of the Bonuses for Manufactures Bill, the Customs Tariff Bill, and the Electoral Bill this week, there will be only the financial Bills to deal with, and if the Treasurer will not be prepared until this day fortnight to proceed with those measures it might be possible for the House to adjourn for a week.

Mr. DEAKIN.—Providing that we do dispose of the Bonuses for Manufactures Bill and the Customs Tariff Bill, and that the Senate does not this week dispose of the Electoral Bill, it might be unnecessary for us to meet next week, but we have to recollect that under our most inconvenient standing order both Houses must be sitting in order that a message may be transmitted from one to the other, so that any arrangement will have to be subject to the progress made this week.

RAILWAY RATES.

Mr. MAHON asked the Acting Prime Minister, *upon notice*.—

1. Whether section 102 of the Constitution entitles the Commonwealth to prohibit a State from giving by means of its railways any "undue and unreasonable" "preference or discrimination" in trade and commerce?

2. Whether he is aware that about one-third of the population of Western Australia resident on the gold-fields of that State are in their intercourse with the eastern side of the continent compelled to travel and to convey most of the necessities of life nearly 1,000 miles further than need be through the refusal of the Government of Western Australia to construct or allow the construction of a railway from Esperance to Coolgardie; and whether since the protection of the vested interests of a small number of property holders at Perth and Fremantle is one of the avowed grounds of such refusal, he does not consider that an "undue and unreasonable" preference or discrimination is thereby established within the meaning of this section?

3. Whether, since section 98 of the Constitution expressly endows this Parliament with power over State railways in their relations to trade and commerce, the Government will consider the propriety of immediate intervention in this case, where thousands of citizens suffer severe loss and inconvenience through trade being diverted from its natural highway and through the enforcement of special rates on the railways for the carriage of products imported from other States?

Mr. DEAKIN.—As the honorable member is aware, the preference or discrimination alluded to can be determined only by the Inter-State Commission. He is also doubtless aware that that commission can deal with only Inter-State trade.

Mr. MAHON. — Does the honorable and learned gentleman say that this is not Inter-State trade?

Mr. DEAKIN.—No; but as to how far any traffic under section 102 may be Inter-State trade, I am not sufficiently informed to be able to say.

Mr. GLYNN. — Cannot the Government proceed under section 117?

Mr. DEAKIN.—I think not.

Mr. GLYNN. — It is just as well to test it as regards railway rates.

Mr. DEAKIN. — The honorable and learned member refers to a disability or discrimination.

Mr. GLYNN.—I think that the Victorian and South Australian rates are bad under that section.

Mr. DEAKIN.—They would then be bad for a very special reason, and in a very special way. It would not be possible to rely on that section to the extent that the honorable member for Coolgardie evidently desires in the questions which he asks. For their solution the creation of the commission is necessary, and then the scope of its authority is limited to following what it may determine to be or the courts may hold to be Inter-State trade.

INTER-STATE TRADE.

Sir JOHN QUICK asked the Minister for Trade and Customs, *upon notice*.—

Whether his attention has been directed to a letter signed "Mercator," published in the *Bendigo Advertiser* on 16th August, in which complaint is made of the irksome regulations and formalities insisted upon in connexion with the transit of goods from one State into another; and whether, in view of the long lapse of time since the commencement of uniform Federal duties, and the gradual and probable exhaustion of stocks imported into Australia before that date, he can

see his way to reduce and mitigate the severity of some of the bookkeeping forms and rules at present enforced?

Mr. KINGSTON.—The answer to the honorable and learned member's question is as follows :—

The Government have under their most serious consideration the provision of further facilities in relation to Inter-State trade, and they propose before the end of next week to issue the necessary regulations. They have the utmost sympathy with the proposal to remove all restrictions on Inter-State free-trade, which can be removed consistently with proper regard to the Constitution Act. This removal is now more possible and desirable than originally, because of the smaller amount receivable under section 92. The amount collected under this section of the Constitution is also rapidly diminishing. It only totalled £9,130 for the half-year ending June 30th, 1902. Further, its rapid decrease is indicated by the fact that for July, 1902, it was only £1,126, as follows :—

New South Wales ...	£68
Victoria ...	126
Queensland ...	320
South Australia ...	89
Tasmania ...	226
Western Australia ...	297

Also as regards New South Wales and Tasmania, the two States in respect of which only it has been possible to yet obtain the August figures, the amounts fell from £68 and £226 to £54 and £125. Figures such as these induce consideration of the question whether future collections under the section are desirable in view of the small results as compared with the trouble involved, but the rights of the States chiefly interested must of course be specially considered.

Our wish is to make Inter-State free-trade a matter of fact at the earliest possible opportunity.

DRILL SERGEANTS.

Mr. GLYNN asked the Treasurer, *upon notice*—

1. Whether the salaries of drill sergeants transferred from one State to another are "new expenditure," and as such payable by the Commonwealth?

2. If transferred expenditure are the salaries debited to the State from which, or the State to which, the men have been transferred?

3. Have the drill sergeants recently transferred to South Australia been enrolled under the South Australian Defence Forces Act of 1895?

Sir WILLIAM LYNE.—In reply to the honorable and learned member's questions, I have to state—

1. No.

2. To the State to which the men have been transferred.

3. No.

HEAD-QUARTERS' STAFF : ATTESTATION.

Mr. FULLER (for Mr. CONROY) asked the Acting Minister for Defence, *upon notice*—

Referring to the reply given in the Senate on the 8th July last, to the effect that the members of the Head-Quarters' Staff have not been attested—

1. Has the Federal Military Commandant been sworn in?

2. If so, under what Act or Acts?

Sir WILLIAM LYNE.—In reply to the honorable and learned member's questions I have to state—

Nos. 1 and 2.—No.

SUNDAY WORK : SHIPPING.

Mr. GLYNN asked the Minister of Trade and Customs, *upon notice*—

1. Whether he is aware that owing to the restrictions on work being done on Sunday in connexion with the Customs, a boat containing fruit has been detained at Renmark on a subsiding river, and in consequence arrived 30 hours late at Morgan?

2. Whether, in view of navigation difficulties and other special circumstances, he will remove in respect of river ports, restrictions on necessary Sunday work?

Mr. KINGSTON.—The answers to the honorable and learned member's questions are as follow :—

1. I am so informed by the honorable member.

2. Special instructions have been issued as regards special difficulties at Queensland tidal ports and river traffic, and the general question of Sunday work in connexion with shipping in Australia will shortly be taken into further consideration. The instructions as to rivers were issued on the 23rd ultimo.

MILITARY PAY.

Mr. BATCHELOR (for Mr. POYNTON) asked the Acting Minister for Defence, *upon notice*—

1. Has his attention been called to the following telegram from Adelaide which appeared in the *Age* of the 26th ultimo :—

SOUTH AUSTRALIAN MILITIA PAY.

Adelaide, Monday.

The local military forces expected that under federation their pay would be increased so as to bring it up to that in the other States; but instead, a General Order just issued announces that "special pay" will be stopped. Hitherto the men received special pay for guards of honour and other special duties, the buglers and band men for practising, and non-coms. for giving instructions outside their own company, and officers for various duties. Under the new regulations a captain who subscribes

to the Military Club will be about 10s. better off than a private, and a lieutenant will be £1 worse.

2. Are the following rates of military pay in the two States mentioned substantially correct :—

Rank.	South Australia.	Victoria.
Private ...	£5 0 0	£7 10 0
Corporal ...	5 5 0	10 0 0
Sergeant ...	5 10 0	11 5 0
Lieutenant ...	6 0 0	15 0 0
Captain ...	7 10 0	22 10 0
Major ...	10 0 0	30 0 0
Lieut.-Colonel ...	15 0 0	Not ascertained.

Horse allowance ...	4 0 0	Believed to be 30 0 0
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3. Will he supply the House with information similar to the above with respect to the rate of military pay in New South Wales?

4. In view of the low rate of military pay in South Australia as compared with Victoria and New South Wales, does he not consider that the regulation recently issued which further reduces the military pay of South Australia is a great injustice ; and, if so, will he take steps to have the regulation cancelled forthwith?

Sir WILLIAM LYNE.—In reply to the honorable member's questions, I desire to state—

1. Yes. The General Officer Commanding reports that no General Order has been issued to that effect, and a report has been asked for from the Commandant, South Australia.

2. The rates of pay are correct as regards South Australia, but in the case of Victoria the rates for the following ranks should be—

Corporal, £9.

Sergeant, £9 15s.

Lieut.-Colonel, £40.

In regard to the respective rates of horse allowance, it is pointed out that in Victoria, officers drawing same require to be in possession of horses available for duty during the period for which the allowance is claimed, whereas in South Australia officers have only to provide suitable horses for parade purposes.

3. In New South Wales the rates of pay are as follow :—

Private, £7 8s.

Corporal, £8 12s. 8d.

Sergeant, £9 5s.

2nd Lieutenant, £15 8s. 4d.

1st Lieutenant, £18 10s.

Captain, £24 13s. 4d.

Major, £30 16s. 8d.

Lieut.-Colonel, £43 3s. 4d.

Forage allowance, £17 (horses to be the *bond fide* property of officers entitled to forage allowance).

Stabling, £14.

4. This is answered in reply to No. 1.

COMMONWEALTH CONTINGENTS.

Mr. FULLER (for Mr. CONROY) asked the Acting Minister for Defence, *upon notice*—

1. Under what Act were the members of Commonwealth Contingents sent to South Africa sworn in?

2. If under an Imperial law, by what process was the Commonwealth Government empowered to put it into operation?

Sir WILLIAM LYNE.—In reply to the honorable and learned member's questions, I have to state—

1. Under the Imperial Army Act.

2. Under section 94 of the Army Act, by which enrolling officers were appointed by the Governor-General.

REFUNDS OF DUTIES.

Mr. BAMFORD asked the Minister for Trade and Customs, *upon notice*—

1. Whether refunds have been made to importers in respect to any goods other than under-proof spirits?

2. If so, upon what goods, and to what amount?

Mr. KINGSTON.—The answer to the honorable member's questions is as follows :—

1 and 2. Only upon monolines and outside packages. Monolines were held to be entitled to the same treatment as linotypes. The amount is not at this moment available, but will be furnished if so desired. The refunds in respect of outside packages were as regards duty paid before 15th November. Wines, in bond or on the water and over the prescribed strength at the time of the Tariff introduction, were allowed to be treated similarly with spirits.

MOUNTED RIFLEMEN.

Mr. SAWERS asked the Acting Minister for Defence, *upon notice*—

1. Have the repeated applications for the formation of a body of Mounted Riflemen at Glen Innes received the consideration of the Government?

2. If so, what determination has been arrived at?

3. If not, will early consideration be given to this question?

Sir WILLIAM LYNE. — In reply to the honorable member's questions, I beg to state :—

The General Officer Commanding is not in a position yet to recommend any change in the existing establishment. Many other applications besides this are involved, and consideration will be given to all of them as soon as possible.

PAPERS.

Sir WILLIAM LYNE (Hume—Minister for Home Affairs).—Several questions have been asked in reference to what action has been taken regarding a railway connexion between the eastern States and Western Australia, and I now lay upon the table a *précis* of the information which has

been obtained up to the present time. Other questions have been asked regarding the action being taken concerning the torpedo boats and obsolete ammunition in New South Wales, and also, I think, in Victoria, and I now lay upon the table a report from the Admiral, which is being acted upon.

BONUSES FOR MANUFACTURES BILL.

Mr. WATSON (Bland).—Referring to the order of the day for the further reconsideration of this Bill, I move—

That the standing orders be suspended in order to enable a motion to be moved that the Bill be referred to a select committee.

I have had an opportunity of consulting with those who are entitled to express an opinion on the question, whether, under existing circumstances, the standing orders would allow of a second attempt being made to refer the Bill to a select committee.

Mr. JOSEPH COOK.—Is this a motion of censure?

Mr. WATSON.—I do not know whether the honorable member is attempting to help the Government by making a remark of that sort, but so far as I can see it is not a motion of censure, particularly as I do not think that the House was fully aware of the circumstances which might occur when the standing order was passed. It provides that no proposal to refer a Bill to a select committee can be entertained after it has been reported by the Chairman. We all know that this Bill was reported by the Chairman for the purpose of assisting the Government and the House to reconsider certain proposals without the formal necessity of coming to a decision in the meantime upon the clauses subsequent to the third one, on which considerable debate had taken place. Seeing that it was done for the convenience of the House, it seems to me that the Government ought to offer no opposition to a proposal, which, under other circumstances, would have been quite in order. It may be remembered that on the last occasion the proposal to refer the Bill to a select committee was not voted upon. The proposal to create a blank was negatived, and, therefore, we did not get a decision on the main question. It seems to me that every stage of the debate on the Bill goes further to show the necessity of holding an inquiry before a final decision is arrived at.

Mr. KINGSTON.—Had not the honorable member better address himself simply to the suspension of the standing orders?

Mr. WATSON.—If the Government are willing to allow this motion to go, I do not desire to occupy the time of the House at this stage in discussing it, but if I do not now give some reasons for suspending the standing orders the debate may proceed, and I shall not have a chance to speak until I rise to reply. If it had been thought that the standing orders would debar a resort to any course which was open previous to the Chairman reporting the Bill, probably the reporting stage would not have been reached so easily as it was. In view of all these considerations, I think it would be a proper thing for the Government to agree to the motion. In any case, I submit that the House is entitled to take a vote on the question whether the Bill should not be reconsidered. I defer any argument as to the necessity for the appointment of a committee until the House has decided this motion. If the debate does take the wider range I shall have an opportunity in reply of saying something in regard to it.

Mr. KINGSTON (South Australia—Minister for Trade and Customs).—The Government do not propose to oppose the motion for the suspension of the standing orders, because they think it is an easy way of getting the opinion of the House. I point out also that it would be competent for the honorable member after we had thrashed out the Bill in committee, and probably upon the motion for the third reading, to move a similar motion to that which he now proposes to submit, and, if the course were adopted, we should have lost the time occupied in the discussion of the Bill in committee. The Government will, therefore, consent to the suspension of the standing orders in order that the motion to refer the Bill to a select committee may be moved, and to that motion we shall be happy to give our hearty opposition.

Question resolved in the affirmative.

Mr. WATSON (Bland).—I move—

That the Bill be referred to a select committee and that such committee consist of the Minister for Trade and Customs, Sir Edward Braddon, Mr. Joseph Cook, Mr. Winter Cooke, Mr. L. E. Groom, Mr. Hughes, Mr. Kirwan, Mr. Mauger, Mr. Watkins, and the mover.

First of all, with regard to the composition of the proposed committee, I may say that it is at all times a difficult thing to propose

any committee of members which will be satisfactory to the whole of the House from the variety of points of view that must necessarily be taken into consideration in respect to a matter such as this. I have attempted to provide that each State shall have some representation upon the committee, and I have attempted also to fairly divide the committee in the matter of fiscal opinion so that no undue preference shall be given to one side or the other in that regard. So far as possible, of course, I submit the names of honorable members, who from other associations have had an opportunity of hearing or knowing a little of the subject. I may further say that if the House chooses to adopt the course frequently adopted in dealing with motions of this description, the first portion of the motion may be voted upon separately, and should it be carried the composition of the committee can be arranged in the usual way. With regard to the main idea of referring the Bill to a select committee, I may in the first place point to the fact that on the last occasion when a similar proposal was made, it was confined principally to the establishment of State iron works. On this occasion I propose that the range of the committee's investigation should be very much wider. Since that time the debate in committee on the measure has disclosed, to my mind, the necessity for further detailed information; this has been more emphatically impressed upon honorable members at every stage of the Bill. If it is assumed that the House or the country is justified in granting bonuses to private individuals, the amount necessary to be set aside for that object must be a matter of moment and a matter for inquiry so far as this House is concerned. To arrive at a correct conclusion in that regard it seems to me that we ought to know first the cheapness as compared with deposits in other countries, with which the iron deposits in Australia can be worked; the amount of capital which it will be necessary to invest in the undertaking, and the probability, or otherwise, with the assistance of a bonus, of the industry being carried on without any large amount of duty in the future. All these considerations should be taken into account before we say what bonus, if any, ought to be paid. We cannot in this matter accept *ex parte* statements. We have already a number of statements from those who are promoting

these companies as to the cost of installing the necessary plant, and I must say that there is a considerable difference of opinion as to what the amount necessary will be. It is, therefore, all the more desirable that we should have evidence, so far as it is obtainable, from all sides of the question before accepting the suggestions and statements of those immediately concerned. On the strength of a statement made to me by a gentleman who should know something of the subject, I have myself put forth the statement that £250,000 should be quite sufficient to thoroughly test the iron deposits of Australia. But against that it is stated by the Blyth River Company that they will have to spend £1,000,000 before they can hope to carry the matter through successfully. In view of the fact that all these statements are made *ex parte*, and without that criticism which will be afforded by evidence on both sides of this question, it is idle for this House to say—even if it is granted that bonuses are desirable—how much per ton the bonus should be or for how many years it should be maintained. This is one view of the matter which shows the necessity for some such inquiry as I propose. Again, there is the proposition put forward by the section of the House with which I am associated with regard to the establishment of State ironworks. I know that in this connexion the *Sydney Morning Herald* of a few days ago, referring to the motion discussed in the New South Wales Legislative Assembly, the other evening, stated that I had assured the Minister for Trade and Customs that the Premier of New South Wales, Sir John See, knew nothing of the feeling of his own Legislative Assembly in this matter, and that I was able to express a more reliable opinion on this subject than himself. I need only recall to honorable members the fact that what I did say was that I did not take the assurances of Sir John See against the establishment of State ironworks as expressing the opinion of the people of New South Wales, a very distinctly different thing from the opinion of the Legislative Assembly in which Sir John See has the honour to lead a Ministry. This is an aspect of the matter which any such committee as I suggest will, if appointed, require to consider. There was a division taken the other evening in the Legislative Assembly of New South Wales upon the motion dealing with this subject, and, as I anticipated, there was a

considerable majority against the proposal to establish ironworks. The Speaker usually does not vote, but reckoning the full numbers, and counting pairs, 33 honorable members out of 125 voted for the establishment of State ironworks. I know of several instances in which the body of support for a particular proposal has at that stage been much smaller, and yet it has been carried by an overwhelming majority in the Parliament of New South Wales within a couple of years. For my part, therefore, I am quite satisfied with the amount of support such a proposal has received in the New South Wales Parliament, and I feel that there is every reason to believe that, notwithstanding the result of the motion recently decided there, once the people of that State have the question thoroughly debated, they will be more than likely to return a majority to the local Parliament pledged to carry this proposition through to its conclusion. Possibly the same thing may be said for the other States, of which I am not so well able to speak. I may be considered optimistic in taking this view, but I have so frequently seen changes in the personnel of the State Legislative Assembly, under pressure from outside, that I am quite prepared to believe that if another Parliament is elected, and if, in the meantime, agitation is carried on in that State for the undertaking of this work by the Government, a majority may be found in favour of the proposal. From all these points of view I think it is necessary that a committee should be appointed to report to this House before any further action is taken in the matter. Now, as to the question of delay, some of those who opposed the proposal for a committee on the last occasion argued that its only result would be to secure the defeat of the Bill, and to indefinitely postpone the consideration of the question. But it seems to me that if a select committee is agreed to under these circumstances the members of it should take every reasonable means to arrive at a report—I do not say a unanimous report, because I do not suppose it is likely, whatever committee is appointed, that we shall get a unanimous report upon such a debatable question as this; but at any rate they should be able to obtain useful information for the benefit of members of this House and of the other Chamber within a comparatively short period. We have, I am sure, quite a number of gentlemen interested in promoting these

projects, who will be only too anxious to give to such a committee every information as to what their intentions are, and what their plans amount to. In addition to that, I am satisfied that we can get evidence from people who are not directly interested, but who are yet qualified to speak on the subject and to offer criticism of these proposals. All this need not take more than a few weeks, even though it should be found necessary to visit one or other of the States in order to secure evidence which may not be obtainable here.

Mr. JOSEPH COOK.—If it is to be done at all it should be done thoroughly.

Mr. WATSON.—I admit that; but I say that a very large proportion of the evidence can be obtained in Melbourne, and at first hand from those directly interested. Of course there are other questions which the committee will require to consider, but in any case I at present see no reason why such a committee should not be able to report before we adjourn. So far as I am concerned, even if it were found necessary to extend the inquiry with a view to having some decided action taken, I should still consider this the proper course to adopt in view of all the circumstances. There is another matter to which, if in order, I think I am justified in referring. There has been a provision accepted in another measure by both Houses of the Federal Parliament that contingent upon this Bill going through and certain developments taking place, the Minister for Trade and Customs may by proclamation bring into existence certain duties. This has an important bearing upon other duties which are still in dispute, which in the total do not amount to a great deal, but which are for the benefit of those who have to use iron for their raw material. I say that the degree of difference it is necessary to maintain between any encouragement given to the producers of the raw material and that given to the producers of the manufactured article is a matter for very careful inquiry, and one upon which it seems to me it is necessary for honorable members of both Houses to have definite information before coming to a decision. Would it be a proper thing, from the point of view of those who are in some degree protectionists, to allow a duty of, say 10 per cent., on the raw material, and a duty of 12½ per cent. or 15 per cent. only on the manufactured article? I do not want to

play into the hands of those who do not want the industry at any time or at any price, but who will be only too ready to associate themselves with any project in order to bring about its defeat. Any possible doubt as to the attitude of New South Wales at the present moment is dispelled by the division in the local Parliament last week. What is the position to-day? Was there ever a more favorable occasion for bringing about an early accomplishment of the scheme for establishing the industry?

MR. BATCHELOR.—Yes.

MR. KINGSTON.—I think not. The scheme was never nearer its accomplishment than it is to-day. When I last spoke, not so much had been done. The scheme proposed is double—a bonus in the first instance, and a duty after the establishment of the industry. How does the second part stand now? The Senate has given its assent to every word of the provisions in Division VIA. of the Tariff, and it now remains for us to pass this Bill and send it on to the other Chamber, where I believe it will be accorded a hearty welcome. Contrast that for a moment with the proposal for delay to enable a search to be made after information already obtained. We have ransacked all possible sources of information, and what more can we learn? Shall we, for the purpose of investigation by a select committee, retrace our steps over all the work that has been done, and waste the time that has been devoted to the consideration of this measure? The scheme which we propose is of such a character that it must pay. The Commonwealth will contribute only 20 per cent. of the marketable value of the iron produced. We shall give £1 for every £5 worth of iron produced, and we shall obtain a return of five times the money we spend. Under such circumstance, how is it possible for us to gain any advantage by delay? I ask those honorable members who really believe in the iron industry to vote for carrying still further the good work that we have partly done, and not to be led away by suggestions which would involve the loss of a golden opportunity and wreck the scheme for years and years.

SIR WILLIAM McMILLAN (Wentworth).—I think my right honorable friend is rather lacking in the sense of humour. He began by saying that it was absolutely unnecessary to go over the old ground again, and yet he has spent nearly half-an-hour

in restating the principles of the measure. If honorable members will cast their memories back to the debates which took place upon Division VIA. of the Tariff, they will come to the conclusion that either the present time is inopportune for the granting of the proposed bonuses, or that at any rate the measure requires a great deal more consideration.

MR. SAWERS.—The time will always be inopportune in the view of the honorable member and his party.

SIR WILLIAM McMILLAN. — The question where the money is to come from must occur to all of us. Our finances are now in such a condition that the Treasurer can scarcely forecast results from month to month. We are under certain obligations to the smaller States, and this fact has been made use of by the Ministry as a political cry. Yet, notwithstanding the manifesto of the Prime Minister that we should provide for revenue without destruction, and maintain tottering industries, it is proposed to appropriate £250,000 for the encouragement of an industry which was not in existence at the last general election, and in connexion with a scheme which, I venture to say, has never been before the people of the Commonwealth. I hope the proposal of the honorable member for Bland will be agreed to, and that the select committee will consider a great many matters connected with the scheme. I have listened very attentively to the special pleading of my right honorable friend, and I have noted the arguments based on the conditions of the Canadian iron industry—which are not at all on all-fours with the proposed scheme—and also his special reference to the iron industry in the United States—a country populated by 80,000,000 of people. But I have not heard anything that will convince me that, at this stage of our national life, with a population of only 4,000,000, it would be to our interests to spend a large amount of public revenue upon the establishment of a new industry for which the chances of success are very doubtful, and which if once supported by the State, especially by bonuses, would require more and more assistance until it became an absolute monopoly. The establishment of a monopoly would mean one of two things. If the industry were taken up by the State of New South Wales the people there would have to pay for the reduction in the price

afraid. There are those who are entirely against the encouragement by bonus of any industrial enterprise. These honorable members acknowledge that fact freely ; and all honour to them. And their honour I hope will induce them to refrain from voting for a proposition with which they do not entirely agree, simply for the sake of wrecking that to which they strongly object. On the other hand, there is a large majority of honorable members in favour of a bonus for the establishment of the iron industry. These honorable members would do anything in reason to attain that object, but they are unhappily split into two sections, one of which strongly favours the enterprise being undertaken by the State, and the other of which is not yet driven to any such conclusion, but would, in default of the State undertaking it, prefer to see the industry started at the earliest opportunity by any persons willing to embark their capital. It is said that information is required as to whether there are people ready to take advantage of the bonus ; but is there any doubt on the subject ? We read the newspapers, and our ears are open ; and there appears little room for doubt that if a Bill be passed somewhat on the lines suggested, there are people only too willing to invest their capital in the industry. Why should these people not be permitted to do so ?

Mr. BATCHELOR.—With our money ?

Mr. KINGSTON.—To what extent ? The amount proposed is £250,000.

Mr. WILKS. — In order to provide £250,000 taxation to the amount of £1,000,000 will have to be imposed.

Mr. KINGSTON.—It will not be our money, but money invested here in fostering Australian enterprise, by Australian capitalists or capitalists from elsewhere, and it will be money spent with advantage by those who have it. If I recollect rightly, the honorable member for Bland said he wanted to know what money would have to be spent, and what would be the likely profit. But the party which the honorable member leads here, and of which he is the representative in Australia—and which, I understand, is, and properly so, almost one in the various States—are haunted by no doubts as to the success of the enterprise. Last week in the New South Wales Legislative Assembly, the labour party, properly, but unsuccessfully, sought to induce the Government of that State to pledge themselves to undertake the enterprise. Does the honorable member for

Bland suggest that under these circumstances the party with which he is associated have any doubt as to the success of the industry ?

Mr. WATSON.—If the industry is going to be a success, there is no need for a bonus.

Mr. KINGSTON.—The labour party would not ask for such a pledge from the New South Wales Government if they did not believe in the success of the industry. I previously contended that New South Wales opinion is properly represented by the Government of the day—that the possession of the Treasury benches is generally indicative of the power to express the popular will. I am strengthened in that opinion by the recent division in the New South Wales Legislative Assembly, where by 46 votes to 27, which represents a majority of nearly two-thirds over the lower number—

Mr. WATSON.—Not at all ; one-third.

Mr. KINGSTON.—Compared with 27, the figures 46 show a majority of 19, and 19 is more than two-thirds of 27. Under the circumstances, am I not right in saying that the majority was more than two-thirds ?

Mr. WATSON.—Does the honorable gentleman double his Customs figures in that way ?

Mr. KINGSTON.—The honorable member knows perfectly well that I place the figures in the most attractive way from my own point of view, but, at the same time, I use them with absolutely mathematical precision. We have the declaration of the New South Wales Legislative Assembly that they are not ready for a State undertaking of this character. Are we to wait, or are we to go on ? If we could define precisely when the enterprise would be undertaken by a State, there might be some reason for pleading for delay. But the Governments of the various States have informed us that they will not have anything to do with the matter, and we have been told that the New South Wales Government prefer the Bill as proposed. When that opinion is expressed by the only State likely to take advantage of the bonus, I appeal to honorable members, who really desire the early establishment of the industry, not to allow delay to be used for the purpose of defeat. I ask honorable members to look at the matter fairly and squarely, and if they come to a conclusion that the early establishment of the industry is desirable, not to

play into the hands of those who do not want the industry at any time or at any price, but who will be only too ready to associate themselves with any project in order to bring about its defeat. Any possible doubt as to the attitude of New South Wales at the present moment is dispelled by the division in the local Parliament last week. What is the position to-day? Was there ever a more favorable occasion for bringing about an early accomplishment of the scheme for establishing the industry?

Mr. BATCHELOR.—Yes.

Mr. KINGSTON.—I think not. The scheme was never nearer its accomplishment than it is to-day. When I last spoke, not so much had been done. The scheme proposed is double—a bonus in the first instance, and a duty after the establishment of the industry. How does the second part stand now? The Senate has given its assent to every word of the provisions in Division VIA. of the Tariff, and it now remains for us to pass this Bill and send it on to the other Chamber, where I believe it will be accorded a hearty welcome. Contrast that for a moment with the proposal for delay to enable a search to be made after information already obtained. We have ransacked all possible sources of information, and what more can we learn? Shall we, for the purpose of investigation by a select committee, retrace our steps over all the work that has been done, and waste the time that has been devoted to the consideration of this measure? The scheme which we propose is of such a character that it must pay. The Commonwealth will contribute only 20 per cent. of the marketable value of the iron produced. We shall give £1 for every £5 worth of iron produced, and we shall obtain a return of five times the money we spend. Under such circumstance, how is it possible for us to gain any advantage by delay? I ask those honorable members who really believe in the iron industry to vote for carrying still further the good work that we have partly done, and not to be led away by suggestions which would involve the loss of a golden opportunity and wreck the scheme for years and years.

Sir WILLIAM McMILLAN (Wentworth).—I think my right honorable friend is rather lacking in the sense of humour. He began by saying that it was absolutely unnecessary to go over the old ground again, and yet he has spent nearly half-an-hour

in restating the principles of the measure. If honorable members will cast their memories back to the debates which took place upon Division VIA. of the Tariff, they will come to the conclusion that either the present time is inopportune for the granting of the proposed bonuses, or that at any rate the measure requires a great deal more consideration.

Mr. SAWERS.—The time will always be inopportune in the view of the honorable member and his party.

Sir WILLIAM McMILLAN. — The question where the money is to come from must occur to all of us. Our finances are now in such a condition that the Treasurer can scarcely forecast results from month to month. We are under certain obligations to the smaller States, and this fact has been made use of by the Ministry as a political cry. Yet, notwithstanding the manifesto of the Prime Minister that we should provide for revenue without destruction, and maintain tottering industries, it is proposed to appropriate £250,000 for the encouragement of an industry which was not in existence at the last general election, and in connexion with a scheme which, I venture to say, has never been before the people of the Commonwealth. I hope the proposal of the honorable member for Bland will be agreed to, and that the select committee will consider a great many matters connected with the scheme. I have listened very attentively to the special pleading of my right honorable friend, and I have noted the arguments based on the conditions of the Canadian iron industry—which are not at all on all-fours with the proposed scheme—and also his special reference to the iron industry in the United States—a country populated by 80,000,000 of people. But I have not heard anything that will convince me that, at this stage of our national life, with a population of only 4,000,000, it would be to our interests to spend a large amount of public revenue upon the establishment of a new industry for which the chances of success are very doubtful, and which if once supported by the State, especially by bonuses, would require more and more assistance until it became an absolute monopoly. The establishment of a monopoly would mean one of two things. If the industry were taken up by the State of New South Wales the people there would have to pay for the reduction in the price

of iron to the consumer, or the State Government would require from the Commonwealth larger and larger import duties until the imposts became absolutely prohibitive. In view of the interests of the manufacturers themselves—which the protectionists are supposed to conserve—and bearing in mind that iron enters largely into almost every one of our important manufacturing concerns, this is not the time at which we should contemplate an increase in the price of the raw material. On several occasions we have lacked information such as could be obtained only by means of exhaustive inquiry, and this is a matter upon which—putting aside my fiscal faith, because I do not believe in bonuses of any kind—we should be placed in a position of much greater advantage if a patient investigation were made by a committee of this House. Why should we rush matters in connexion with this industry? We are half way through this Parliament, and the proposed industry cannot be placed upon its feet until the next Parliament is elected. Why should we commit our successors to such an enormous expenditure as that contemplated? I consider that some time might well be spent in investigation, and that the Ministry—after the tedious debates which have dragged through weeks, and which have shown that there is no determinate opinion one way or another—ought to be glad of an investigation that would throw some distinctive light on the question. Although I am opposed to bonuses, I recognise that a majority of honorable members are in favour of the bonus system under certain conditions, and I shall therefore vote for the appointment of a select committee, which will at any rate place in our hands an authoritative statement as to the actual position of affairs.

Mr. HIGGINS (Northern Melbourne).—The honorable member for Wentworth was right in saying that a majority of honorable members are in favour of the granting of bonuses under proper conditions. At the same time it is curious that the majority should not have their own way. As a matter of fact, the triangular duel which has been proceeding is being made use of by the minority to impose their will upon the House. A majority of honorable members are in favour of the granting of bonuses subject to proper precautions, but that majority have unfortunately allowed

themselves to be split into two divisions, one of which insists that the bonus shall not be granted, except upon certain conditions. With all respect to the honorable member for Bland, I think that he and those associated with him are making a great mistake in their own interests. The honorable member has led his party with great ability and industry, and has paid great attention to the debates in Parliament, but I cannot help thinking that he has been ill-advised in this matter.

Mr. WATSON.—We always think that about “the other fellow’s” opinion.

Mr. HIGGINS.—That may be, but I am saying what I really think. I take it that the motion for the appointment of a select committee is intended to shelve the Bill, and I think it would be better for the honorable member for Bland to frankly say so. This session of Parliament is nearly at an end, and if the motion is carried providing for an inquiry with a wide scope such as the honorable member has suggested, the Bill will be shunted for this session, and we shall not know when the next session will begin.

Mr. WATSON.—That will be the fault of the Government.

Mr. HIGGINS.—The honorable member said that he desired that the committee should enquire, not only into the immediate details of the proposed scheme for the granting of bonuses, but into the whole of the circumstances of the iron industry.

Mr. WILKS.—That is the only way in which a proper investigation can take place.

Mr. HIGGINS.—I contend that we have a committee in the responsible Government which alone can give the bonuses. I feel that it would be of the greatest advantage to us if we could secure the establishment of the iron industry at a time like the present when industries are sadly needed. The primary producers have, to a large extent, failed us, and there are hundreds and thousands of men who are anxious for work, and who cannot secure it, and if there ever was a time at which it was important to develop new industries it is at present. It is not in times of stint that we should close up our purse; at such times, we should open it as far as we can. It is true that this expenditure will fall upon all the States in proportion to population, and that some of them may find it hard to pay their way. I recognise that £250,000 is a large sum.

Mr. WATSON.—That refers to only the iron industry; the total expenditure will be more than that—it will be £300,000.

Mr. HIGGINS.—That is not so, but it is a very unimportant detail. The extraordinary position is that whilst the principal expenditure in connexion with this scheme will probably take place in New South Wales, the representatives of that State are most keenly opposing it.

Sir WILLIAM McMILLAN.—That shows our honesty.

Mr. HIGGINS.—Victoria has nothing to gain directly from this scheme, and yet I feel that it is regarded by some of my honorable friends on the Opposition side as a sinister deep-laid plot for the purpose of securing wealth to Victoria.

Mr. WILKS.—I never gave the suggestion a thought.

Mr. HIGGINS.—The honorable member for Wentworth also spoke of the money that would be taken out of the pockets of the taxpayers of New South Wales, but I would point out that the amount spent in connexion with the proposed scheme would be new expenditure, which would have to be borne by all the States upon a population basis, and that Victoria would therefore have to contribute one-third of the whole amount. We are anxious to afford an opportunity for the establishment of the iron industry. We draw no lines between Australians. We feel that it will be good for Australia to have the iron industry established, because our people move about from place to place in search of work. The iron industry is an industry of industries, and is not to be compared with any other. We cannot foretell the number of industries that it will bring in its train, if it is once well established. Free-trade and protection have nothing to do with this proposal, because the best of free-traders are advocates of the bonus system. This is not a question of imposing protectionist duties, but of granting bonuses, and the best men of the Cobdenite school are strongly in favour of bonuses.

Sir WILLIAM McMILLAN.—Does the honorable and learned member wish the representatives of New South Wales to depart from their principles, because their State will benefit under the scheme proposed?

Mr. HIGGINS.—No; the honorable member said that he was opposed to the granting of bonuses, and I think that his stiff, starched, and pedantic attitude on this

question is to be deplored. We cannot be guided solely by theory in these matters. It should be remembered that in a new country we have to deal with new conditions. Although I should prefer to see the iron industry controlled by the States, and although I voted in favour of giving them the exclusive right for one or two years to embark upon the enterprise, I feel that we cannot expect them within that period to nationalize the undertaking. Rather than that the industry should not be established, I favour encouraging private individuals to engage in it. At the same time, I think that Parliament should insist that any company or syndicate which may be induced by the payment of a bonus to enter upon the work of iron production should pledge itself to sell its undertaking to the State in which its operations are being conducted, upon a valuation, after the lapse of a reasonable period.

Mr. KINGSTON.—The Government would be willing to agree to a fair right of purchase.

Mr. WATSON.—The representative of one company told me that that company would not agree to any provision being made in regard to resumption unless at the expiration of a very long period.

Mr. HIGGINS.—I think I can understand any company making that statement; but when it comes to a choice between being granted a bonus and being denied it, the company will very quickly change their tune. If the Bill be passed, the money for the payment of the bonus will belong to the taxpayers, and therefore it would be only fair to insist that, if the people of the State in which the industry is established wish to carry on the undertaking they should be allowed the opportunity to do so. I regret that a sort of "dog-in-the-manger" attitude is shown by the House at the present time. I do not think that the Minister will carry this measure unless there is a considerable change of front on the part of those who are anxious to see the iron industry developed, even at some little cost. However, I shall assist him as far as I possibly can. I feel, however, that a great mistake is being made by a section of this House. Having regard to the vote which was taken in the New South Wales Parliament the other night, it is utterly absurd to expect that State to nationalize the work of the production of iron. After all there is a

good deal to be said in favour of allowing private individuals to experiment with a new industry at their own expense, instead of at the expense of the Commonwealth. This is a very different case from that of the railways. Supplies of iron can be obtained from abroad, where the industry is controlled by trusts, but no syndicate or trust can run the Australian railways in parts outside Australia, and therefore it is safe to assume that they will be carried on by the States Governments. But, considering the huge industrial movements which have their centre at the present time in America, it by no means follows that the States will be able to supply iron and steel in sufficient quantities to satisfy the wants of our railways and our people. Our efforts in regard to iron production would be very puny as compared with those of the great iron industries abroad. But we can render this industry very valuable service here. If private individuals, with the aid of a Government bonus, are prepared to risk their money in the enterprise, either at this or any other time, I am willing to give them the opportunity of doing so. Of course, it must be clearly understood that the States can always ask for a bonus if they desire it, and I am quite sure that the Government would give them a preferential claim. But I think honorable members ought to recollect that it is a distinct advantage to Australia to have people who are prepared to risk their money, time, and labour in a novel industry of this sort. Any bonus in which they may participate will be really a small thing as compared with the good results to the Commonwealth. In the event of the Bill being carried, stringent regulations could be imposed by the Government, and I am quite sure that in framing those regulations, which have to be submitted to Parliament, we may trust the Government to protect the interests of the inhabitants of Australia.

Mr. BATCHELOR (South Australia).—The honorable and learned member for Northern Melbourne has read those who do not support this measure a lecture upon their attitude.

Mr. KINGSTON.—They deserve it.

Mr. BATCHELOR.—Probably; I hope they will deserve it still more. The honorable and learned member has said that there is a majority of this House in favour of the bonus system.

Sir WILLIAM LYNE.—A section of the House is bringing the whole thing into contempt.

Mr. BATCHELOR.—It is not those who are opposing the Bill who are bringing it into contempt.

Mr. RONALD.—Then the honorable member admits that he does oppose the Bill?

Mr. BATCHELOR.—Of course, I do.

Mr. RONALD.—I am glad of that, because I now know the way in which I shall vote.

Mr. BATCHELOR.—The honorable member knew quite well the way in which he was going to vote before I opened my mouth. He understands full well what my attitude is upon this measure. I fought it from its introduction, and as I cannot prevent it from passing, I intend to fight for, delay. But, apart from that consideration, I support the motion in favour of the measure being referred to a select committee in order that the full facts may be placed before the public. The honorable and learned member for Northern Melbourne declared that there is a majority in favour of the bonuses. On the other hand, I am quite satisfied that a majority of honorable members are opposed to this Bill. It is only owing to the persistent whipping on the part of the Government that it has had such a long life.

Mr. HIGGINS.—The leader of the Opposition admits that there is a majority in favour of the bonus system.

Mr. BATCHELOR.—I think that the leader of the Opposition is in error. To my mind, the honorable member for Bland has made out a very strong case indeed in favour of delaying the passing of this Bill till the matter has been thoroughly investigated. What is known in connexion with the proposal? We are told that certain individuals are prepared to embark upon the iron industry. On the one hand we are assured that to do so will require the expenditure of £1,000,000, whilst on the other we are told by experts that the cost of setting up an efficient plant would be £600,000.

Sir WILLIAM LYNE.—About £900,000.

Mr. BATCHELOR.—In the Minister for Home Affairs we apparently have still another expert. Surely honorable members ought to be given some idea of whether the cost of establishing the iron industry is likely to be £600,000, £900,000, or £1,000,000.

Mr. WATSON.—The total nominal capital of the new company which was floated in England to take over Mr. Sandford's works at Lithgow was £750,000.

Mr. BATCHELOR.—In view of the conflicting nature of the evidence before us, surely it is not too much to ask that the House should be placed in possession of definite information as to the real cost involved in the establishment of these works, so that we may know whether or not it is necessary to spend £250,000 to aid in its accomplishment. There is a difference of 40 per cent. between the estimates which have been submitted.

Mr. KINGSTON.—For every penny expended should we not obtain a return of five times the amount?

Mr. BATCHELOR.—If that be so, there is no necessity whatever to sanction the payment of a bonus in order to encourage private enterprise to undertake the work. The field is absolutely open. While we have been discussing this matter, private individuals, had they so desired, could have established iron works in our midst. I protest against the money of the Commonwealth being handed over to assist a number of individuals to establish monopolies. That is the sole ground of my objection to this measure. The honorable and learned member for Northern Melbourne expressed surprise at the action of the honorable member for Bland who, he said, was making a great mistake from the point of view of the interests of the party with which he is associated. But if the labour party was created for any special reason, it was to prevent the establishment of monopolies.

Sir MALCOLM McEACHARN.—Is not a union one of the biggest monopolies we can have?

Mr. BATCHELOR.—Certainly not, every man is eligible to join it.

Mr. WATSON.—We will admit the honorable member if he chooses.

Mr. BATCHELOR.—One of the chief reasons for the existence of the labour party is the necessity which exists for fighting against monopolies. Consequently, there is nothing inconsistent in the action of its members in refusing to lend themselves to a proposal to vote away the people's money in order to firmly establish a monopoly in Australia, and probably to hand over to it not only the production and supply of iron, but ultimately the control of our railways.

That is too big a contract to ask the labour party to indorse.

Mr. HIGGINS.—There are several members of the labour party who oppose the honorable member's view upon this matter.

Mr. BATCHELOR.—I am simply expressing my own view of the case. Certainly, the bulk of the people of the State to which I belong are with the labour party in this connexion. One very important point has been referred to by the acting leader of the Opposition, although, of course, it may not appeal so strongly to other honorable members. I refer to the question of the condition of our finances. From where is the £300,000 which it is proposed to expend by way of bonus to come? It is to be taken from the whole of the Commonwealth, and given to a number of speculators. South Australia's proportion of that amount would be about £30,000; whilst Queensland's contribution would be £50,000.

Mr. KENNEDY.—The proposed expenditure is to be extended over three years.

Mr. BATCHELOR.—Yes.

Mr. KINGSTON.—What is the difference between an enterprising man and a speculator?

Mr. BATCHELOR.—This is not the place for conundrums. Private enterprise often builds up monopolies, to which I am certainly opposed. Apart from the financial question, which, as the Minister knows, is of serious importance to the State of South Australia, I would point out that if the second part of the Minister's proposals is carried into effect, and an import duty of 10 per cent. is placed upon pig-iron, the manufacture of machinery, and of iron and steel implements in Australia will be ruined. The import duty upon manufactures of iron will probably be 15 or 12½ per cent., but an import duty of 10 per cent. upon pig-iron would reduce the protection of local manufacturers to 5 or 2½ per cent., which would be a ridiculous margin. There is another matter which should be inquired into. The Minister did not propose the payment of butter bonuses in South Australia until a select committee had inquired into the advisability of doing such a thing. We have been told that there is room in Australia for several establishments for the making of iron and steel, and that, therefore, the granting of these bonuses cannot lead to the creation of a monopoly. In my opinion that statement is incorrect, but the

matter forms another subject for an inquiry. Why should this Parliament, in its first session, commit itself to the expenditure of £300,000 of the people's money, when we cannot find time to deal with machinery Bills and other legislation which is urgently needed?

Mr. HIGGINS.—Parliament will commit itself to the expenditure of only so much as the Government may think fit to authorize.

Mr. BATCHELOR.—Is it to be thought that the Minister will not see fit to sanction the expenditure of the whole amount? Once we pass the Bill the matter will be taken out of our hands.

Mr. HIGGINS.—The regulations which must be framed to carry out the intentions of the Bill will have to be laid before Parliament for approval.

Mr. BATCHELOR.—I regard that as a quibble. Does any one believe that any harm can result from the postponement of the consideration of this matter for perhaps twelve months, so as to permit of an inquiry being made into the whole subject? There are many important questions connected with it, upon which the House to-day has no information, and upon which it should be informed before authorizing the proposed expenditure.

Mr. WILKS (Dalley).—The Government allowed the standing orders to be suspended so that this motion for the appointment of a committee might be moved, as though they intended to agree to the appointment of the committee; but now they are objecting to its appointment. The only new reason that the Minister gave for his present attitude is that he has discovered with deep regret that the Parliament of New South Wales has refused to agree to a proposal for the establishment of State ironworks. I think that I shall save the time of the House if I direct my remarks principally to that argument. The Parliament of New South Wales certainly vetoed the proposal to establish State ironworks, but I may inform the Minister that they would with equal directness have vetoed this Bonus Bill. The New South Wales Opposition, which numbers about 35 members, gave its support, with one or two exceptions, to the Ministry to defeat the labour party on the proposal to establish State ironworks, but as free-traders they are opposed to a bonus system of any kind at all.

Mr. SAWERS.—But the New South Wales Ministry are in favour of bonuses.

Mr. WILKS.—Yes, because they are protectionists. They are the unused wing of the protectionist party here. The people of New South Wales, however, as represented by their Parliament, are opposed to the bonus system. The Minister would have us believe that they are opposed to the adoption of State ironworks, but have signified their willingness to accept the Bill as it now stands. The honorable and learned member for Northern Melbourne, who spoke as an Australian, with a capital A, said that he approached the consideration of the question from the Australian stand-point, and asked us, in the interests of Australia, to pass the Bill. As an Australian, and in the interests of the people of Australia, I am opposed to the Bill. No doubt, the honorable and learned member, from his training and associations, is disposed to look with favorable eyes upon judicial bodies, and what I ask is that a select committee may be appointed as a judicial body to decide between the conflicting statements which we have heard from honest men on both sides of the Chamber in regard to the matter now under consideration. The honorable and learned member for Northern Melbourne has spoken about the "dog in the manger" policy of those who refuse to vote for the Bill, but, if I may be permitted to use a similar metaphor, I would refer to the policy which he advocates as a "pig in the poke" policy. We, as the representatives of the people of Australia, cannot be expected to vote for this Bill without further information. I wish for the appointment of a select committee, not to settle the Bill, but to settle the vexed questions which its consideration has raised. I should like to know a little more about the stringent regulations to which the honorable and learned member for Northern Melbourne has referred. Are they provided for by the Bill? That is another reason why this judicial committee composed of honorable members selected from all sides of the Chamber, and representing all fiscal views—a purely Australian body in its personnel—should be appointed. What more could the honorable and learned member require than an Australian select committee to inquire into this great Australian question? It takes a good deal to annoy me, but when the honorable and learned member appealed to the representatives of New South Wales and, as a representative of Victoria, asked—"What have we to gain? We are simply bursting

with a desire to assist New South Wales. We are consumed with an anxiety to carry this Bill so that the people of New South Wales may have a noble and powerful industry established in their midst," I marvelled at the exhibition of this new concern for the interests of that State. I wish that the honorable and learned member had shown the same degree of concern for the interests of New South Wales a few days ago when the question of the suspension of the fodder duties was raised. Am I to be blamed if I look askance at his appeal? But supposing that it is made in the interests of New South Wales, I, as an Australian, have to say that New South Wales does not require patronage at all—does not ask for the assistance of Australia at the expense of the Australian people to build up any of her industries. Why should these honorable members be so concerned for her interests to-day? The honorable member for Bland believes in a State-owned iron industry, and the honorable member for South Australia, Mr. Batchelor, said with marked emphasis—and the Minister for Trade and Customs did not deny it—that the bulk of the people of his State were at the back of the proposal he believes in. The Minister, a representative of that State, by his silence, practically affirmed that idea. The honorable member for Bland made a very strong case when he said that in New South Wales the people had not considered the question of a State-owned iron industry, that the vote in the Legislative Assembly was practically a catch vote, and that the supporters of the principle had done very well in their first effort. Without committing myself to the idea of a State-owned iron industry, I submit that a proposal of this character could not have been made at a more inopportune time, in the affairs of New South Wales, because they are tired with regard to the management of certain State industries, and are afraid of proceeding further, and involving themselves in a larger expenditure. I do not understand the finances of this question. Both in this debate and in previous ones, it has been said that it involves an expenditure of sums ranging from £250,000 to £350,000. It has been stated, too, that four times that amount of money will have to be collected from the people of Australia before the required bonus can be obtained. When I, who closely follow the proceedings of Parliament, do not clearly understand the position, I

am satisfied that thousands of persons in Australia, who may like to see the iron industry established, are not aware of how much money is required to insure its establishment. For that reason, what better body could we have than an Australian select committee to seek for full information? The appointment of a judicial body of that kind is an admirable idea. Probably, except in the case of those whose free-trade views are very strong, the information it would collect would set at rest all doubts. The Minister for Trade and Customs, who is generally pretty calm and judicious, is allowing his enthusiasm to carry him away in this matter. I refuse to be carried away by his enthusiasm. He possesses a most magnetic power, and it is with the greatest difficulty that I am opposing him. His enthusiasm is not a sufficient justification for the House to hastily sanction the expenditure of £350,000. That is a very good reason for appointing a select committee which could seek for reliable information from all quarters. I have read in the press that certain persons are bursting with a desire to establish industries for the benefit of Australia—pure philanthropists, who have no idea of seeking for profit or gain. Everybody has his own peculiarity, but their peculiarity is to place in some part of the Commonwealth an industry involving the expenditure of, as they say, £900,000, so that the people of Australia shall benefit by its operations. If that is so, sir, you can hardly wonder at my doubting the statement. I am fairly gullible, but when I read the statement I doubted it. A select committee could prove its accuracy or otherwise. If there are gentlemen with large national characteristics desirous of establishing industries purely for the gain of Australia, I should like a select committee to be appointed to thrash out the question. The honorable and learned member for Northern Melbourne thought it was outrageous for a free-trader to oppose a bonus. While I may not be the "real Mackay," so far as economic principles are concerned, I should like to know how he stands in regard to bonuses all round. If it is good enough for the iron industry—our very own industry, as the Minister said—to receive a bonus at the expense of the great Australian public, is the honorable and learned member prepared to give a bonus for shipbuilding to a portion of the Commonwealth in which I live, and which has

to use iron in the construction of ships? I wish to know whether a select committee could obtain information on the point? We can never estimate how much information the members of a select committee can collect. If you, sir, refer to the names of the proposed select committee, you will not discover the name of one honorable member who is not most industrious in political life, or who is likely to be caught by chaff. It is proposed that it be constituted of phlegmatic, judicial characters. Surely the honorable and learned member for Northern Melbourne is not going to insult those honorable members whom the honorable member for Bland would not think of nominating without their consent? Apparently, they all think that it is right to appoint a select committee. Is the honorable and learned member, with others, prepared to give a most violent slap in the face to honorable members who are willing to sacrifice their time in the public interest, and to undertake a most arduous political work which meets with little publicity? Surely the Minister is not prepared to slap in the face some of his most ardent supporters when they are anxious to ascertain the rights and wrongs of this question? Is he a very good judge of character? I am told that he is. Therefore, I ask him, in the most abject manner, is he prepared to leave me in this quandary—that I shall have to vote against the Bill, because I require further information than he has given?

Mr. KINGSTON.—If I am a judge of character, the honorable member will.

Mr. WILKS.—The Minister is very flippant. That is exactly how he is with the Bill. He says to the House—"Vote this sum of £300,000; never mind about the raising of £1,200,000. It will be a success." We hope that it will be a success, but we prefer to adopt Scotch caution and to obtain more information, so that Australia may not be placed in a more awkward situation, and her people may not be at a loss. I appeal to the Minister, and all those who believe in the bonus system. If their belief in its efficacy to establish industries for the benefit of Australia is so great as they represent, surely they are not afraid of going before a select committee of the House? If they are afraid of going before a select committee, then it is an admission that the bonus system is very weak, and that they are

going to trust to time and chance to put the industry in a healthy condition, and the demands which may be made upon it in the future to strengthen what would otherwise be a most weak concern. If they do believe in the efficacy of the system, why are they now fighting here and trying to obtain a catch vote, which probably another place may not respect as they ought to do? It is a question of hastening slowly. There is no killing of the measure involved. If the select committee came back to the House armed at all points with information as to finances, stringent regulations, power of resumption, and all the other matters which have been mentioned in debate, then I could readily understand that many objections could not be raised to the Bill. I have not heard any reason to induce me to remove my opposition to a Bonus Bill. I trust that the Minister will not resist the motion. If his idea is to continue to resist the proposal, then he should have opposed the suspension of the standing orders. I again ask the honorable member for Northern Melbourne, has he so little faith in the efficacy of the bonus system that he is unprepared to give a select committee the benefit of his calm, deliberate judgment? I think that this great Australia has much to gain from the exercise of that judgment. I should like to see the calm, deliberate judgment of the advocates of the bonus system placed before a select committee, clothed with power to make a searching investigation. If there is anything in the system they will come out of the inquiry triumphantly. I am not afraid of a select committee. I believe that the members of it can obtain information which will guide not only the Commonwealth Parliament, but the Parliaments of the different States; and that it will be shown that at the present day, and for some years to come, the iron industry in Australia cannot be made a payable one. I believe that, in that way, the people of this Commonwealth may be saved the expense of a very costly experiment. It is not a question of £250,000, or even £1,000,000, because once the industry is started, it must be continued. Under all the circumstances, I plead with the Minister for Trade and Customs that, in the interests of the Commonwealth, he should not take action which will burden the people with more taxation, and that he should allow this select committee to be appointed in order that, irrespective of party

considerations, we may know really how the question stands.

Mr. KENNEDY (Moir). — It was hardly necessary for the honorable member for Dalley to take up time in supporting the proposal for a select committee, when he has told us that, no matter what the finding of the committee may be, he will be against a Bonus Bill.

Mr. WILKS. — I did not say anything of the sort ; I would not be so foolish.

Mr. KENNEDY. — The honorable member stated distinctly that he was opposed to a Bonus Bill.

Mr. WILKS. — At the present time, without further information.

Mr. KENNEDY. — Then the honorable member says that he will support this proposal for referring the Bill to a select committee, which is to make investigation.

Mr. WILKS. — In order to get more light upon the subject.

Mr. KENNEDY. — The acting leader of the Opposition accused the Minister for Trade and Customs of a lack of humour in taking so short a space of time to review the salient arguments as to the necessity for a bonus in order to secure the establishment of this industry. He also told us that he was opposed to the Bonus Bill, and would support an inquiry by a select committee.

Sir WILLIAM McMILLAN. — For the benefit of honorable members opposite. The ignorance displayed during the debate is so great that I think honorable members require further information.

Mr. KENNEDY. — We have the honorable member for Bland, and the honorable member for South Australia now proposing most strenuously the appointment of a select committee, though within the last two months they were prepared to vote the money embodied in the Bonus Bill without any question whatever, provided that the States undertook the development of the industry. They had ample information ; they had no doubt as to the deposits being valuable ; no doubt as to the skill and knowledge of the people, and, no doubt, that some of the States could find the capital necessary to successfully establish the industry. But being defeated for the time upon that score, when the Government now propose that private capitalists may embark in the enterprise, and may take advantage of the bonuses proposed under this Bill, those honorable members press most strenuously

for information that apparently they did not at all require under what were exactly similar circumstances only a little while ago.

Mr. FOWLER. — Because the State would make an inquiry before taking up the industry.

Mr. KENNEDY. — Is it likely that we are going to take any further risks in paying this money to private capitalists rather than to a State ? Is it likely that one shilling of the bonuses proposed is going to be paid to private capitalists unless the material for which the bonuses given is produced ?

Mr. FOWLER. — There is still an important distinction.

Mr. KENNEDY. — I should like to know what it is. Surely, none of us is guileless enough to believe that capitalists, any more than a State, are philanthropists, pure and simple ; and that they will venture their money for the benefit of the whole community, and without hope of return. Their first object will be to secure a return upon their investments. We know that the results to labour and industry will be practically the same, from whatever source the capital is derived. Surely, no honorable member will for a moment admit that the fear of a monopoly by private enterprise is the governing consideration, deterring him, at the present time, from supporting this Bill ? Surely, Parliament will be a sufficient guarantee as between the citizens of Australia and the possibility of a monopoly by any private enterprise. We read from time to time, and have some knowledge of the condition, of trusts in other lands ; but we know that they are not altogether an unmixed evil ; there are some good, as well as some evil results accruing from their operation, and in a self-governing community such as we have here, where we have the control of such operations in our own hands, are we going to be deterred from wealth production because of the fear of a monopoly being created in connexion with this industry ? Honorable members must not lose sight of the fact that we have only a section of the British navy standing between Australia and the destruction of her national interests to-day. If from any cause, which it is not difficult to imagine, the supply of iron and steel for manufactures in Australia were cut off, what would be our position ? We should not have sufficient metal to manufacture a gun or a rifle for our own requirements.

Mr. THOMAS.—Is not that a strong argument for a State undertaking the enterprise and not leaving it to private enterprise?

Mr. KENNEDY.—That is not the question now. The object now is to get the industry established, and the information we have to date is that the States will not undertake the enterprise.

Mr. THOMAS.—Ought not the States to be compelled to do so under the circumstances?

Mr. KENNEDY.—It is a peculiar thing that the all powerful State of New South Wales, in which there are large iron deposits, has not developed the industry. The three chief reasons given by the mover of this motion for referring the Bill to a select committee at the present time were the cost of working the deposits, the amount of capital required for the development of the industry, and the possibility of its development by a bonus without the necessity for a high duty. As to the first point, surely no honorable member who was privileged to listen to the address of the honorable member for Parramatta on the second reading of the Bill can overlook the fund of information which he gave to the House with regard to the deposits available, and the estimated cost of working them given by reliable authorities? Then as to the amount of capital required, we have information from different sources, and the total capital involved appears to be entirely a question as to the quantity proposed to be produced by the different companies supplying estimates. The honorable member for South Australia laid great stress upon the point that we can establish the industry without any bonus at all, and that there is a possibility of its being established merely by the imposition of a slight duty. The difficulty of dealing with the matter from that standpoint is that we all know that by the imposition of a duty at the outset, before the production of iron is established here, the cost of the raw material to the users of iron and steel will be at once increased. That is a difficulty the Government and the community generally are interested in avoiding, by giving a bonus upon the material produced until such time as iron and steel are produced in quantities approximating closely to the amount required for the Commonwealth. Personally, I regret to see the small trivial differences that divide those who are earnest in their desire to see this industry established. The difference of

opinion simply amounts to this: that there is a section of honorable members who are very desirous that the States should embark in the enterprise. Personally, I have no objection whatever to that. I should be very glad indeed to see the States embark in this enterprise. But failing that, no action of mine will be taken to prevent private enterprise being allowed to develop this industry, because seeing that we have the raw material available, I look upon it as one of the most important and beneficent industries that could be established for the welfare of the community. I am prepared to support this Bill without any further enquiry whatever.

Mr. RONALD (Southern Melbourne).—Having to vote in this instance contrary to the party with which I generally vote, I must explain why I do so, and my explanation shall be brief. I believe in the bonus system, and so long as it appeared possible to secure that this industry should become a State monopoly, I worked in that direction. I was inclined to support this motion for a select committee so long as I believed that it was sought to be appointed in the interests of the bonus system, and in the interest of the industry being undertaken by the State. But the mover of the motion confesses that he believes in bonuses, and that this committee is simply a proposal to find out what is the best means of getting the greatest amount of good out of the bonus system.

Mr. WATSON.—I did not say that I believed in bonuses; not at all.

Mr. RONALD.—I understood the honorable member in his speech to-day to say that he proposed the committee in the interests of the bonus system. If I remember aright, there was first an effort made to give the States a monopoly of the industry; then an effort was made to give the States a monopoly of the industry for two years, and then an effort was made to give the States a monopoly of the industry for one year. Finally, in order to put the matter into the hands of the State, as I understood it, this select committee was to make enquiries as to what it would cost, and as to how a State could raise the money necessary to start ironworks. So long as the final object and aim in view is to carry out the development of the iron industry, whether by a State or by an individual, by the assistance of bonuses, I have been in favour of the line of action proposed. But when we have

it avowed that this select committee is to be appointed to stifle and destroy the bonus system altogether, I say that I am against its appointment.

Mr. FOWLER.—Then the honorable member has not much faith in an enquiry.

Mr. RONALD.—So long as it is an honest, *bona fide* enquiry into facts that will help us to get the greatest amount of good out of the bonus system, I am for it, but when it is proposed as an inquiry into everything that will tend to destroy the bonus system, and is confessedly proposed for the purpose of delaying and destroying the Bonus Bill, I think I am justified in opposing it. I am against all kinds of hypocrisy.

Mr. O'MALLEY.—Is the honorable member the only pure man in the labour party?

Mr. RONALD.—I speak only for myself.

Mr. O'MALLEY.—Then the honorable member ought to leave the party. We do not want a saint.

Mr. RONALD.—I was explaining that I am against the proposed committee of inquiry, because it turns out to be a committee of destruction. Its avowed purpose is to kill the Bill. Honorable members have said that they desire only delay, but delays are dangerous, proverbially, and in this case delay will be very dangerous. The honorable member for South Australia asked where would be the danger and evil of delay in this case? It lies in the fact that at the present time we have hundreds and thousands of unemployed with whom we do not know what to do. Meanwhile there are a great many works which are depending upon the iron industry, and I say that at the present time, when we have the assurance of the Government that capital is ready to be launched in this great venture, it is criminal and sinful for us to stand in the way, in view of the present state of affairs in the industrial world. I am honestly and earnestly in favour of going on with the work without a moment's delay; and, therefore, I am against the appointment of a select committee. I do not believe in needless delay or in subterfuges. So long as there was an honest effort in the direction of a State monopoly, I was in favour of it; but I am against any subterfuge which has for its object the killing of the Bill. The bonus offer has been unfairly stated over and over again this afternoon. It has been stated that the proposal is to here and now vote away £250,000 or £300,000 of the public money. The fact

has been obscured and hidden that payment is by results, and that not one penny of the taxpayers' money is compromised. The terms are—no iron, no bonus; and if we are to get our money's worth from the raw material brought from the bowels of the earth, we are, by opposing the Bill, standing in the way of the development of a native industry. It has been asked where the money is to come from with which to pay the bonus. But how much would it require to meet the initial expenses of a State monopoly. I favour a State monopoly, but I see no chance of that until we have money of our own to embark in the industry. Under the present circumstances, State monopoly would simply mean a monopoly of financiers in London, seeing that we should have to borrow the money in order to undertake the enterprise. That would be simply handing the industry over to capitalists in London, and leaving us as far as ever from State monopoly. If a select committee be appointed, will it make inquiries, and set, side by side, the expense of initiating a State monopoly, and the expense of giving bonuses to private individuals? If that were done, I believe it would be found that the initial expense of making a State monopoly would be infinitely greater than that of a bonus system which, from beginning to end, safe-guards the people's money by the principle of payment by results. I regard the bonus principle as the supplement or complement of the protectionist principle, of which I am an avowed advocate. On the hustings, I told the electors that the two went hand in hand, and I am only carrying out my pledges to my constituents, who are largely interested in the iron industry, when I endeavour to expedite the establishment of the bonus system by every possible means. The iron industry is the parent of a hundred and one other industries, and I shall do everything in my power to prevent one moment's delay in the realization of a proposal which will be a fruitful source of development throughout Australia.

Mr. O'MALLEY (Tasmania). — As a member of the labour party, I deem it my duty to protest against the charges which we have just heard made by a member of that party.

Mr. RONALD.—I have made no charges.

Mr. O'MALLEY.—It is a sad case, if out of the 24 members of the labour party, there is only one angelic saint.

The SPEAKER.—The question which we are discussing is the appointment of the select committee to inquire into the bonus system.

Mr. O'MALLEY.—That is so; but an aspersion has been cast on the labour party. The honoured leader of that party has submitted a motion which has for its object the acquisition of knowledge on the subject now before us. Without inquiry we should be darting "out in the blind." Like men drawing certain deductions from certain inferences, we should never be certain as to the result. A select committee is required in order to hear evidence from men who are thoroughly proficient in the iron business. By some people we are told that the establishment of the industry will mean the expenditure of £1,000,000, and by others we are told that the cost will be less; and inquiry is needed to clear up this and other points. Are we to allow a few private syndicators to use this bonus for the purpose of floating, in London, companies which it is admitted they cannot float now? The Hebrew children of London will not take on the speculation unless £250,000 is granted by this Parliament. I have offered to erect the works for £250,000, and I am so confident that I now repeat the offer. The proposal is to have a select committee composed of members, half of whom are from each side of the House. There are gentlemen living in the Commonwealth able to come before the committee, and, by their evidence, put us in possession of knowledge which we require. The honorable member for Southern Melbourne declared that he opposes a select committee, because the proposal looks like a conspiracy to defeat the investment of private capital. That honorable member charges the labour party with being conspirators; and I object to any honorable member, however humble in morality or intellectuality, being so charged by a man who is over-loaded with morality.

The SPEAKER.—The honorable member for Tasmania, Mr. O'Malley, must confine himself to the question before the House.

Mr. RONALD.—I made no charge.

Mr. O'MALLEY.—The honorable member for Southern Melbourne declared that he would have voted for the appointment of a select committee, but for his belief that a committee meant a conspiracy to prevent iron works being established.

Sir MALCOLM MCEACHARN.—The honorable member for Southern Melbourne states the truth.

Mr. O'MALLEY.—I should like to know where the honorable member for Melbourne obtains his knowledge.

Mr. RONALD.—The fact is avowed here.

Mr. O'MALLEY.—Where is the evidence? It may be rumoured that the honorable member for Southern Melbourne will turn a somersault to-morrow, but there is no certainty on the point. No honorable member should make charges which he is not prepared to support. The honorable member for Melbourne stands as the very essence of dignity and honour, and is always upbraiding honorable members for making charges of the kind to which I now object. The honorable member asserts that there is a conspiracy; but I deny the statement, and contend that there is not an honorable member who would be guilty of such an offence. We hold that this is a matter which goes beyond private enterprise. The railways of the country are owned by the people, and iron works also ought to be owned by the people. Had I dreamt for one moment that this industry would get into the hands of a private syndicate—into the hands of Goulds, Vanderbilts, and Astors—I should certainly have voted against a duty of 15 per cent. on raw iron. It is proposed to tax the people of the country to the extent of £250,000 in order to enable a private syndicate to erect works. Then it is proposed to give a monopoly, and compel every man interested in primary production to contribute towards enriching a few syndicators. If ever Australia were at war, we should, under the proposals of the Government, have to go on our knees to these monopolists, as America had to do in her great war, and ask what they would take for their iron; and the price asked would not be governed by the cost of production, plus the cost of the raw material, but governed by the rates in New York, Montreal, and London. If the giving of this bonus be agreed to, it will go down to history as a stupendous act of infamy which plundered unborn millions of their inheritance.

Mr. FOWLER (Perth).—In addition to the ordinary responsibility which Parliament always has in connexion with any legislation, we have a further responsibility in this particular matter. During the whole

debate we have had the very haziest information as to the exact standing of the gentlemen who are going to embark in this industry. Once before, on the floor of the House, I challenged those gentlemen to produce evidence that the money was actually available to carry on the work. I have had no reply to that challenge, which I now repeat. If the money be available, let evidence to that effect be produced; and to that extent, at least, we shall then know where we stand. But we know perfectly well that the gentlemen interested are going to the markets of the world with their leases, and that they intend to dangle this bonus before the wealthy classes in order to bring about the formation of a company. We are responsible to the extent that we offer a bonus, and the assumption is that this Parliament considers the industry to be one with every likelihood of success. But are we in a position to say we believe the industry, if initiated by the company, will be successful to the degree which the company have a right to expect? We have no evidence whatever to that effect. In the interests of the people who are prepared to enter into a *bonâ fide* industry of this kind, it is our duty to appoint a committee of investigation. If the proposed company be sound, and have reasonable ground for assuming that they will carry on the industry successfully, I fail to see what objection they can have to the appointment of a committee, which, if the evidence be thoroughly satisfactory, will materially assist them in obtaining the money they require. In this way the appointment of a select committee will accelerate the establishment of the industry, and on that ground alone the motion is justified. If the result of the inquiry is to satisfy this House that there is reasonable prospect of success, those who are floating the company will have no difficulty in inducing investors to subscribe the required money. For these reasons alone I believe a select committee ought to be appointed to proceed at once with the necessary investigation.

Mr. CROUCH (Corio).—I do not think it necessary at this stage to repeat speeches in which I have already shown my strong opposition to socialism. The proposal for a select committee seems to have been made in consequence of the debate which took place in the New South Wales Legislative Assembly the

other night on a motion that the Government of that State should pledge itself to take advantage of the Commonwealth Bonus Bill. Mr. Fitzpatrick suggested, not only on that occasion, but also when a member of a deputation to the State Minister of Public Works, that in addition to the iron industry, coal-mining, gold-mining, clothes-making, and, in fact, every other industry, should be brought under State control. The design of the labour party in New South Wales has therefore been clearly indicated. The labour party in this House are following their example, and having failed to carry out their socialistic ideas, are only consistent in doing their best to defeat the Bill, by shelving it for three or five years. This will be the result of referring it to a select committee. I am not so well able to arrive at the motive which has led the leader of the Opposition to support the proposal to refer the Bill to a select committee. Some honorable members have not dared to vote against the socialistic principle embodied in the proposal for the establishment of ironworks by the States Governments. They do not like socialism, but they are uncertain as to how their constituencies would regard their actions if they directly opposed it. The proposal for the appointment of a select committee, therefore, affords them a means of achieving their end without directly committing themselves. Some honorable members of the Opposition have professed to be absolutely ignorant of the details of the Government proposal and of the consequences which would follow the passing of the Bill now before us. They therefore say, they favour the appointment of a select committee in order that the fullest information may be placed in the hands of honorable members. I would, however, ask those honorable members who are now so anxious to obtain every information upon the subject now before us, why they did not realize the same necessity for a full investigation in connexion with the Pacific Island Labourers Act and the Immigration Restriction Act. Those were measures which involved the most important considerations affecting the relations of Australia with the Pacific and the Empire; the vast interests of sugar growers, merchants, ship-owners, and vast industrial and mercantile concerns, and yet when it was proposed that it should be referred to a select committee they argued that this House was

quite competent to deal with the matter. In the present case honorable members should be just as capable of transacting the business before them without waiting for an investigation by a select committee. Their opinions are not likely to be altered by the conclusions arrived at by any committee. If honorable members feel that they cannot venture to openly vote against socialistic proposals, they are quite justified in supporting the appointment of a select committee, which will have the effect of shelving the Bill for some time. It would be preferable if they were to demonstrate that they had the courage of their opinions by voting directly against the proposal for the establishment of ironworks by the States Governments, and so at the outset crush a project which, if carried into effect, would create a monster that in time would swallow up every industry in the Commonwealth. Honorable members, whose sole reason for existence as members of this House is that they have devoted years to the study of political economy and social functions, should come out into the open and vote fearlessly in support of their opinions. I find that of those honorable members whom it is proposed to appoint as a select committee, the honorable member for Bland and the honorable member for Melbourne Ports, the Minister for Trade and Customs, the honorable member for West Sydney, and the honorable member for Parramatta have declared themselves strongly in favour of nationalizing the iron industry.

Mr. WATSON.—The honorable member for Parramatta and the Minister for Trade and Customs voted against the proposal to nationalize the iron industry.

Mr. CROUCH.—Does the honorable member for Bland deny my statement that the honorable member for Parramatta stated that he was in favour of nationalizing the iron industry?

Mr. WATSON.—He voted against the proposal on the ground that it was not opportune.

Mr. CROUCH.—Whether that be so or not, the honorable member is reported at page 13612 of *Hansard* to have stated that he was in favour of nationalizing the iron industry. The Minister for Trade and Customs also similarly declared himself. The honorable member for Darling Downs stated that he was in favour of State control of the industry for

two years, and that he could not go any further. The honorable member for Newcastle, as a member of the labour party, must support State socialism; and the honorable member for Kalgoorlie voted in favour of the State socialistic proposal of the honorable member for Bland. Therefore, eight members of a committee of ten have expressed themselves in favour of having the iron industry established as a State enterprise. I have not been able to trace any expression of opinion by the honorable member for Wannon, or the honorable member for Tasmania, Sir Edward Braddon. I have some doubt as to the views held by the latter honorable member, but I should judge that the honorable member for Wannon would be opposed to State socialism. If a fair and honest inquiry is to be made into the merits of the Government proposal, and as to the desirableness of the iron industry being established under State control, the committee should be differently constituted, and should not comprise eight members who are already committed to support State socialism.

Mr. WATSON.—Only four members of the proposed committee have voted in favour of nationalizing the iron industry.

Mr. CROUCH.—I should like to know which members of the committee are in favour of individualism?

Mr. WATSON.—No one in this House except the honorable member is in favour of individualism.

Mr. CROUCH.—The honorable member is mistaken. I should like to see the honorable and learned member for Parkes appointed to the committee, if for that reason only. He would prove a useful member of such an investigating body, because he has devoted a large amount of attention to the study of political economy. If the committee is appointed, and is constituted as now proposed, it will not serve the interests which the honorable member for Bland seeks to advance, because it will not possess the confidence of this House to the same degree as if it were evenly balanced.

Mr. TUDOR (Yarra).—It is scarcely necessary for me to say that I am a firm believer in the importance of establishing the iron industry. I do not think that the appointment of a select committee, as proposed, will postpone the accomplishment of that object. In Victoria the application of the bonus system to the manufacture of beet

sugar was followed by disaster, and the loss of a large sum of money would probably have been obviated if an exhaustive inquiry had been made prior to the establishment of the Maffra Beet Sugar Works. If the committee proposed by the honorable member for Bland, after an impartial inquiry, recommend that we should adopt the bonus system, I shall support them. I do not agree with the honorable and learned member for Corio that the opinions of honorable members are fixed upon the subject of the establishment of the iron industry as a State monopoly, and I do not share his anxiety as to the results. Even if the personnel of the committee is not altered, only four members out of ten will stand committed to the nationalization of the iron industry, because the honorable member for Parramatta and the Minister for Trade and Customs voted against the proposal made by the honorable member for Bland. The honorable and learned member for Corio stated that it was singular that honorable members had not been willing to refer the Pacific Island Labourers Bill to a select committee for the purposes of investigation. I would point out, however, that the voice of the Australian people had been raised unmistakably in favour of the abolition of the kanaka traffic, and that in passing the measure referred to we were carrying out the specific mandate of the people. On the other hand, the question of granting bonuses for the establishment of the iron industry was not raised at one meeting out of fifty held in connexion with the Federal elections. If the select committee is appointed, I hope that it will be able to bring up a report early next session, and I do not fear that the result will be to seriously delay the passing of the measure now before us.

Mr. MACDONALD-PATERSON (Brisbane).—The question with which we are now dealing is a vast one, but I do not share the feeling of the honorable and learned member for Corio, with regard to responsibility which rests upon honorable members. Some few weeks ago I suggested to the Minister for Trade and Customs that it would be advisable to abandon this measure, seeing that the question of granting bonuses for the establishment of the iron industry was not brought before the public at the last election. The first I heard of it was in this Chamber some months ago, and I am sure that many honorable members are in a fog as to how they

should deal with the present proposal. Personally I feel no responsibility in regard to it. How can any honorable member feel sure that he is representing his constituents by voting for or against the measure? He cannot possibly know what their views are. I regard the sudden appearance of this measure upon the political horizon as utterly unreasonable. When I spoke regarding this measure a few weeks ago, one or two honorable members thought that I expressed myself very warmly. When I feel strongly it is natural I should speak with some warmth. But I have no desire to speak warmly tonight. I wish honorable members to understand that I am speaking as coolly as if I were dealing with a business matter of my own, or with one in which I was acting as a trustee, and I say that there is absolutely no warrant for intruding this vast matter upon the House, either during the present session or the next. The only solution of the difficulty which has arisen—a solution satisfactory alike to the labour party, to members of the Opposition, and to Ministerial supporters—is to drop the Bill. I ask the Minister to give honorable members breathing time—time to examine the question thoroughly in all its bearings. It is only reasonable that they should be allowed an opportunity of conferring during the recess with the leading people in their constituencies, and of informing themselves—by means of public meetings—of what the opinions of the electors upon this matter really are. Let us come into contact with those who take an interest in it. If the Bill be passed, is the payment of the bonus to be limited to one State? From advices which I have received from experienced and reputable thinkers in Queensland, I know that they favour giving equal consideration to all the States which choose to embark upon this enterprise. I mention that fact to emphasize the desirableness of delaying the further consideration of this matter. If the Government refuse to drop the Bill—a course which I respectfully counsel them to follow—I shall support the motion of the honorable member for Bland.

Mr. WATSON (Bland).—Mr. Speaker, I wish to ask if you will be good enough to put my motion in two parts—the first portion affirming the desirableness of referring the Bill to a select committee, and the second relating to the personnel of the committee.

Mr. SPEAKER.—If that is the desire of the House I shall do so.

Question—That the Bill be referred to a select committee—put. The House divided.

Ayes	30
Noes	15

Majority	15
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AYES.

Bamford, F. W.
Bonython, Sir J. L.
Cook, J.
Cooke, J. H.
Cooke, S. W.
Edwards, R.
Fowler, J. M.
Fuller, G. W.
Glynn, P. McM.
Groom, A. C.
Hartnoll, W.
Kirwan, J. W.
Macdonald-Paterson, T.
Mahon, H.
Mauger, S.
McDonald, C.

McMillan, S r W.
O'Malley, K.
Paterson, A.
Quick, Sir J.
Skene, T.
Smith, S.
Solomon, E.
Spence, W. G.
Tudor, F.
Watkins, D.
Watson, J. C.
Wilks, W. H.

Tellers.

Batchelor, E. L.
Thomas, J.

NOES.

Chanter, J. M.
Deakin, A.
Fysh, Sir P. O.
Higgins, H. B.
Isaacs, I. A.
Kennedy, T.
Kingston, C. C.
Lyne, Sir W. J.

Manifold, J. C.
McCay, J. W.
Salmon, C. C.
Sawers, W. B. S. C.
Wilkinson, J.

Tellers.

Clarke, F.
Groom, L. E.

PAIRS.

For.

Reid, G. H.
Braddon, Sir E.
Smith, B.
Conroy, A. H.
McLean, F. E.
Cameron, D. N.
Fisher, A.
Edwards, G. B.
Page, J.
Willis, H.
Poynton, A.
Brown, T.
Solomon, V. L.
Thomson, D.

Against.

Barton, Sir E.
Turner, Sir G.
Chapman, A.
Phillips, P.
Ewing, T. T.
McEacharn, Sir M. D.
Cruickshank, G. A.
Harper, R.
Knox, W.
Crouch, R. A.
Forrest, Sir J.
Ronald, J. B.
McColl, J. H.
McLean, A.

Question so resolved in the affirmative.

Mr. WATSON (Bland).—With the permission of the House, I should like to add to the committee the names of the honorable and learned member for Corinella, and the honorable and learned member for Illawarra. I understand that the Ministry have no objection to that course being adopted. If we do not add these names, there may be some difficulty about obtaining the attendance of a quorum at the sittings of the committee.

Sir WILLIAM LYNE (Hume—Minister for Home Affairs).—I wish to ask

whether any further debate can take place at this stage?

Mr. SPEAKER.—No. The motion as a whole would have been put just now, but at the express desire of the House it was divided into two parts. It is competent, however, if six honorable members so desire, to require a ballot to be taken in connexion with the second part of the motion.

Question—That such committee consist of the Minister for Trade and Customs, Sir Edward Braddon, Mr. Joseph Cook, Mr. Winter Cooke, Mr. L. E. Groom, Mr. Hughes, Mr. Kirwan, Mr. Mauger, Mr. Watkins, Mr. McCay, Mr. Fuller and the mover—resolved in the affirmative.

ADJOURNMENT.

CUSTOMS TARIFF BILL.—PRIVATE MEMBERS' BUSINESS — PROROGATION — SOUTH AUSTRALIAN DRILL INSTRUCTORS—FEDERAL CAPITAL SITES.

Mr. DEAKIN (Ballarat — Attorney-General).—I move—

That the House do now adjourn.

There is no other measure upon the business paper with which we can proceed this afternoon, and, under the circumstances, it is necessary for me to submit this motion, although I regret that we cannot employ the hours of an ordinary sitting which still remain to us upon the consideration of the measure that we shall receive from the Senate to-morrow. I again invite honorable members to make themselves familiar with that measure by consulting the proceedings in which the proposals that will be brought before us in regard to the Customs Tariff Bill are to be found, so that when the message is presented we may be able to proceed at once with its consideration. In this connexion it is very important that there shall be no more delay than is absolutely essential, and if honorable members will do the Government the favour of consulting those proceedings, I think that they will be fairly equipped for dealing with the Bill when it comes before us to-morrow afternoon.

Mr. O'MALLEY (Tasmania).—I wish to ask the Acting Prime Minister if he does not shortly intend to set apart a day for the consideration of private members' business?

Mr. SALMON.—Next session.

Mr. O'MALLEY.—I may be dead next session.

Mr. TUDOR.—Others will be left.

Mr. O'MALLEY.—But others will not undertake my work. I have important motions upon the business paper relating to the adoption of a system of old-age pensions and to the establishment of a reciprocal treaty with New Zealand. It is time that these matters were discussed. Another question which ought to be debated has reference to foreign steam-ships which are not paying their crews the same rate of wages that is being paid by the Australian steam-ship owners with whom they are competing, by carrying goods between Australian ports. Unless prompt action is taken in connexion with this matter, I fear that the Australian steam-ship owners will be compelled to reduce the wages of their hands to the level of those paid by their competitors.

Sir WILLIAM McMILLAN (New South Wales).—I again wish to direct the attention of the Acting Prime Minister to the question of the prorogation. It appears to me that an effort might be made to close the present session before the close of the current month. It is possible that, apart from the financial Bills, we may get through most of the measures remaining to be dealt with during the current week. I know that we shall be glad to bring that about. I have learned, too, in an unofficial way, that the Treasurer will not be able to make his Budget speech until nearly the close of the month, but it seems to me that a big effort should be made to close the session this month. Paragraphs have appeared in the newspapers which speak of the possibility of the session being prolonged until the end of October, but that would be a great calamity. We have now been sitting for a longer period than any House of Parliament with which I am acquainted has sat during late years, and, therefore, I think that a supreme effort should be made to close the session this month. I hope that the House will help the Government to do that.

Mr. GLYNN (South Australia).—This afternoon I asked the Acting Minister for Defence whether the salaries of the drill instructors who have been sent to South Australia are to be regarded as new expenditure, since the officers in question have been transferred from New South Wales to South Australia without being re-enlisted under the laws of the latter State. As

a matter of constitutional principle I wished to know whether the salaries of these drill instructors are to be debited to South Australia as the salaries of transferred officers or as new expenditure. The Minister replied that the salaries were to be regarded not as new but as transferred expenditure, and were to be debited, not to New South Wales, but to South Australia, although the officers have not been re-enlisted under the South Australian Act. The view I hold is that if the officers have not been re-enlisted under the South Australian Act, they remain under the New South Wales Act, because there is no Federal Act. If they do not remain under the New South Wales Act, they are not enlisted at all, because they have not been re-sworn under the South Australian Act; but if they remain under the New South Wales Act, and the expenditure is not new expenditure, it must be debited to New South Wales. If they have been transferred to South Australia without being re-enlisted, and the expenditure is not to be debited to New South Wales, it must be regarded as new expenditure, because it is expenditure, not for the maintenance of the department as it existed in South Australia at the time of its transfer to the Commonwealth, but expenditure in addition to that. I do not know how the Minister came to the conclusion that the expenditure is not new expenditure, or that, if transferred expenditure, it can be debited to South Australia instead of to New South Wales. I mention the matter because I am not satisfied that the opinion given by the Minister is correct in law.

Mr. MACDONALD-PATERSON (Brisbane).—When it was arranged in May last that a trip, as it was called, should be taken to view the suggested sites for a federal capital, many honorable members declined to go, because they felt that by going they would risk their health. It was understood, however, that a subsequent trip would be arranged to meet their convenience, and I should therefore like to know from the Minister for Home Affairs, not later than next week, what arrangements he intends to make with that object. There are about 50 honorable members who were not able to take part in the last trip. The average number of those who took part in that trip was eighteen or twenty, the maximum number present at any one time being 28, while only thirteen or fourteen visited all the sites.

Under these circumstances, I ask, on behalf of myself and other honorable members, if the Minister will take the matter into his consideration, and let us know as soon as practicable what conveniences he proposes to place at the disposal of the 50 members who have not yet visited these sites.

Sir WILLIAM LYNE (Hume—Minister for Home Affairs).—I can reply to the question of the honorable member for Brisbane without waiting until next week. A great deal of trouble and some expense was undertaken to give members of both the House of Representatives and the Senate opportunities to visit the suggested sites for the federal capital, and at the time I tried to induce as many as I could to take advantage of it. A larger number of honorable members have visited those sites than the honorable member for Brisbane appears to think, and there are not many who have not visited some of them. That being so, I do not think it should be expected that another trip will be arranged for. But if a few honorable members who have not visited the sites desire to make an informal visit, facilities could be given to enable them to do so in their own time. I am disappointed that more honorable members did not make it convenient to take advantage of the opportunity which was provided for them in May. All sorts of wild statements as to the cost of the inspection by the Senate and the House of Representatives have appeared in the newspapers, but my secretary informs me that the amount expended upon the last trip will be considerably under the sum voted by this House. The honorable member for Gippsland is, of course, unable to get about as easily as most other honorable members, and he told me that he would like to visit the various sites in company with six or seven other members in a quiet way. I think that under the circumstances I should be quite justified in affording an opportunity for seven or eight members to do that.

Mr. WATSON.—If facilities are provided for any, they should be provided for all.

Sir WILLIAM LYNE.—I do not think it can be expected that arrangements should be made for another series of special trains. What I suggest is that, if honorable members who have not visited the proposed sites, are willing to avail themselves of the ordinary trains, facilities can be provided

for travelling from the nearest railway stations to the various sites. The honorable member for Gippsland wishes to travel from Bombala to the border, and thence to Sale. I do not think it would be possible to drive a coach and four through that district. For the examination of that country the lightest and strongest vehicles obtainable would be required. However, if honorable members will inform me when they wish to go in the way I describe, I shall try to make the necessary arrangements. The work of my department and of Ministers has been very heavy of late; but I intend to submit at the next meeting of the Cabinet, or at the following meeting, a proposal for dealing further with the capital site question. What I desire to do is to get my colleagues to agree to a reduction in the number of the proposed sites. There are only three or four which are really open for consideration. I should like to see those sites placed before Parliament for consideration, in such a way that honorable members can add to their number any they think fit. That being done, I propose to submit the names of certain experts to form a committee to report upon various subjects connected with the question—with which only experts can deal—and to have the whole matter ready for submission to Parliament next session. With regard to the comments of the honorable and learned member for South Australia, Mr. Glynn, upon the answer to his question this afternoon, I may say that I took legal advice upon the subject. So far as I can see, there is only this in his point, that the instructors, not having been sworn in under the South Australian Act, there is a doubt as to which State—South Australia or New South Wales—should pay their salaries at the present time. But the difficulty he raises can be overcome at any moment by swearing in the men under the South Australian Act. Personally, I do not suppose that New South Wales would object very much to have to bear the whole charge herself.

Mr. BATCHELOR.—The people of South Australia do not ask for that.

Sir WILLIAM LYNE.—They are making a lot of trouble over what seems to me a small matter. I think the question might fairly be left alone now, because I have asked, in as emphatic a manner as I could, for certain information in regard to it which has not yet been obtained.

Sir LANGDON BONYTHON.—When does the honorable member expect to get it?

Sir WILLIAM LYNE.—The General Officer Commanding has been in Sydney for some little time past, so that I have not had an opportunity to speak with him on the subject, but I hope that this burning question to South Australia will be settled without undue delay. I have armed myself with all information available, and it appears to me that if the defence forces of Australia are to be put upon one footing—and that must be done sooner or later—the services of extra drill instructors are necessary in South Australia to bring the men of that State up to the same standard as exists in the larger States.

Sir LANGDON BONYTHON.—We deny that that is necessary.

Sir WILLIAM LYNE.—In point of strength the instructing staff in South Australia is materially below that in Victoria and New South Wales. There is no desire on my part to force upon South Australia this terrible outrage of sending these instructors there, and I shall be only too glad to find that her forces are so highly instructed that there is no necessity for them to have further instruction, and that I can remove some of the men to whom great exception has been taken. I venture to think, however, that it will mean their discharge, because they could not fairly be taken back to the other States. Already 40 odd have been discharged, and some seven or eight have just returned from South Africa. I have given instructions that the latter are to be continued in the offices which they hold, and that as vacancies occur among the present instructors they are to take the vacant places. I do not wish the men who went to South Africa in answer to a call to find on their return that their places are taken, and that they are to be thrown upon their own resources. By the non-filling in other ways of vacancies as they arise, I hope to absorb in a legitimate way the men who have come from South Africa instead of discharging them as they otherwise would have to be.

Mr. BATCHELOR (South Australia).—No complaint was made by the honorable and learned member for South Australia, Mr. Glynn, about what the Acting Minister of Defence was doing. I think that honorable members are quite satisfied that the honorable and learned member is taking a right course in endeavouring to get an

answer to the queries which he put. We are waiting until the answers are given. I protest against the suggestion in the Minister's remarks that South Australia asks New South Wales to pay these drill instructors.

Sir WILLIAM LYNE.—I did not say that.

Mr. BATCHELOR.—The honorable gentleman insinuated that if South Australia was not prepared to pay the men, he had no doubt that New South Wales, out of her large-minded generosity, would do so. No objection has been made by South Australia to the payment of the men if it can be shown that it is desirable that they should stay there. The objection has been to what is believed to be an unnecessary expenditure. If the Minister would not make these somewhat taunting suggestions he would do something to allay the irritation which has been caused by the action taken so far.

Sir WILLIAM LYNE (*In explanation*).—The honorable member for South Australia, Mr. Batchelor, has accused me of using taunting expressions. There was nothing further from my mind than that. What I said was that if an objection were taken by South Australia to the payment of these instructors, and as the honorable and learned member, Mr. Glynn, held they really belonged to New South Wales, the latter State might not object to pay them for the time being.

Question resolved in the affirmative.

House adjourned at 5.49 p.m.

Senate.

Wednesday, 3 September, 1902.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

PAPERS.

Senator DRAKE laid upon the table the following papers:—

Torpedo Boats, retention of: Report of Board of Officers.

Ordered to be printed.

Commissions in Royal Australian Artillery: Alterations of Regulations.

Sugar and Drawback Regulations.

POST AND TELEGRAPH RATES BILL.

Bill returned from the House of Representatives with amendments.

RETIREMENT OF MILITARY OFFICERS.

Senator Lt.-Col. NEILD asked the Vice-President of the Executive Council, *upon notice*—

1. Referring to his reply to Senator Lt.-Col. Neild on the 27th August, will the Minister explain why officers of the partially-paid and volunteer forces in New South Wales are being compulsorily retired by the authority of the Regulations of the 6th May, 1902, which are said by him to have been framed under the Military and Naval Forces Regulation Act, 1871?

2. Is it not a fact that the said Act relates exclusively to the fully-paid or professional forces, and has no connexion whatever with the partially-paid and volunteer forces?

Senator O'CONNOR.—The answers to the honorable senator's questions, which will cover also the other question of which he has given notice, are as follows:—

In the original Order in Council the authority conferred by the Volunteer Force Regulation Act of New South Wales 1867, to make such regulations regarding the volunteer and partially-paid forces in New South Wales, was not cited. Since the reply given to Senator Lt.-Col. Neild on the 27th August, this omission has been rectified; but the failure to quote the Act would not affect the legality of the Regulation.

SMALL ARMS AMMUNITION.

Senator HIGGS asked the Vice-President of the Executive Council, *upon notice*:—

Is there any provision in the contracts for the supply of small arms ammunition stipulating that the said ammunition shall be manufactured within the Commonwealth?

Senator O'CONNOR.—The answer to the honorable senator's question is as follows:—

Yes. To be made from cordite supplied by the Government as far as the capacity of the output by the Colonial Ammunition Company is concerned. Ammunition in excess of this output is ordered through the War Office.

SILVER COINAGE.

Senator STANFORTH SMITH asked the Vice-President of the Executive Council, *upon notice*—

1. Have any steps been taken by the Prime Minister at the Premiers' Conference in London to obtain for the Commonwealth the right of coining silver for our own requirements?

2. If so, has the right been conceded?

Senator O'CONNOR.—The answer to the honorable senator's question is as follows:—

The subject came under the consideration of the Premiers' Conference in London, but the Government is not yet in a position to state the result of the negotiations.

ATTENDANCE OF SENATORS.

Ordered (on the motion of Senator PEARCE)—

That a return of the attendances of members of the Senate be compiled, showing the number of sittings since the opening of the session up to 29th August, and the attendances thereat.

GOVERNMENT HOUSES: EXPENDITURE.

Debate resumed from 29th August (*vide* page 15601), on motion by Senator O'CONNOR:—

That an expenditure upon Government Houses of £5,500 a year, as submitted in the statement laid upon the table of the Senate on 20th August, 1902, is approved, during the term of office of the next Governor-General.

Upon which Senator DAWSON had moved—

That the following words be added to the motion:—"but this House deprecates the maintenance of two Government Houses, and suggests that the expenditure on Sydney Government House be limited to the term of three years."

Senator PULSFORD (New South Wales).—It is such a long time since the session was opened that I think some honorable senators are losing sight of the position of things at that time, and of events which occurred before or about the time of the inauguration of the Commonwealth. We find that suggestions are being made very freely that New South Wales is straining every effort to get advantages, terms, money, or something or other to which she is not entitled. I think nothing is further than that from the mind of every member of the New South Wales delegation, and certainly I know nothing in the public utterances of men in New South Wales to warrant any such supposition. It is worth while to note that with regard to the reception and entertainment of the Governor-General, New South Wales went to enormous expense. Since we adjourned last week I have looked up the figures in regard to Government House. I find that prior to the arrival of Lord Hopetoun — in 1897-8-9 — about £10,000 was spent in putting in an electric installation and effecting various repairs. Immediately prior to the inauguration of the Federation Government House was in good order. But, notwithstanding that fact, the Government of that State spent in the year ending 30th June, 1901, a further sum of £22,000, chiefly in making additions and providing further furniture and new stabling, and so on. Not only did New South Wales spend £22,000 in that year, but this valuable property—which,

with its expensive grounds and water frontages, is believed to represent fully £500,000—has been put under the care of the Federal Government for the use of the Governor-General and to maintain the dignity of the Commonwealth. The State has parted, for the time being at any rate, with its Government House, and as a consequence of that act, it has had to rent a property for its own Governor, and to lay out a large sum—I think it is £7,700—in furnishing the new place, which is called Cranbrook. As a consequence of the changes that have been made, I find that New South Wales has paid altogether £30,000, and now we are told, when a small amount of about £2,000 is suggested to be spent, that she is trying to get the better of the Commonwealth. Surely that is a statement which would not be made were all the facts known. I find objections taken to this proposal by honorable senators who are so desirous of being fair in all their dealings, that I can only think that their apprehensions arise from an incomplete knowledge of the facts surrounding the business. Out of this vote of £5,500, the sum of £500 would come back to the various services, because it includes some hundreds of pounds for postage, and a considerable amount for telephones. If anything were wanting to show the ludicrousness of that statement in regard to New South Wales, I might point out that towards this vote of £5,500 she will have to contribute the solid sum of £2,000. So that, while she has acted very generously in the past with regard to the Governor-General and the Commonwealth at large, she has no chance at present of obtaining anything. The small amount of £2,000 will all be expended on a valuable property which, representing a capital value of half-a-million, has been lent to the Commonwealth free of rent and other charges. This matter has, to some extent, been mixed up with the question of the capital, and statements have been made in some quarters which indicate a willingness to dispute the rights of New South Wales, or, at any rate, to unduly defer the execution of the requirements of the Constitution with regard to the capital. Certainly in New South Wales there is a suspicion which, perhaps, has been considerably increased by the dispute that has arisen with regard to this small amount. Last year, I believe, the Governor-General

did reside in Government House, Sydney, from the time of the inauguration of the Commonwealth, on the 1st January, until some six months afterwards. He used the place on various occasions subsequently. Therefore, I cannot see for the life of me how it is possible to raise any objections from the point of view of the Commonwealth to the small demand which is now made. If I thought for one moment that the sum in question savoured of undue expenditure—if I thought it would commit the Commonwealth to a waste of public money—I should be one of the first to oppose it. But I do not take that view of the matter. As was stated last week, if the amount that is proposed for the Sydney establishment were omitted, probably by nearly as much would the expenditure upon the other establishment have to be increased. As the total amount is only £5,500, and compares for economy so markedly with what has been spent since the inauguration of federation, I do not think that any just grounds can be found for complaint in this direction when we notice that the amount before us is made to apply only during the term of the next Governor-General, and that it is desirable that the terms under which the new Governor-General comes to Australia shall be fully known. I indulge the hope, not only that the motion will be carried by a substantial majority if it goes to a vote, but that Senator Dawson will see his way under all the circumstances to withdraw his amendment, and that the proposal of the Government will be carried unanimously on the voices.

Senator PEARCE (Western Australia).—I wish to enter my protest against the proposal to keep up a separate establishment for the Governor-General in Sydney, just as I should enter a protest if it were proposed to keep up a separate establishment in Adelaide. In fact, if there is any justification for a second establishment of the kind, Adelaide has a prior claim in the present instance over Sydney, because the Acting Governor-General is also the State Governor of South Australia. There might, therefore, have been some justification for South Australia saying that in view of the peculiar circumstances in which her State Governor has been promoted to the higher position of Governor-General, she considered that Adelaide should have his presence, and that a separate residence should be provided for him by the Commonwealth

in the State which has been deprived of his services on account of the sudden emergency that has arisen. But I am against the up-keep of two separate Government-houses in two separate States, because it seems to me that if we adopt that plan, we must have a residence for the Governor-General in every State. I could understand the proposition being put forward that there should be two residences for the Governor-General on the ground of health—a summer residence and a winter residence. That might be reasonable, but I cannot understand the plea that there should be a residence for the Governor-General in New South Wales and another in Victoria. There is nothing in the Constitution which seems to provide any reasonable ground for that plea which is not put forward for reasons of health or convenience. In fact, everyone admits that it would be very inconvenient to the Governor-General to keep up two establishments, one in Sydney, and one in Melbourne, and I am sure that if the Governor-General himself were consulted he would be perfectly satisfied to have the one residence, and to remain in Melbourne, with occasional visits to the other States. The New South Wales senators are taking up a position which is opposed to the interests of their own State, in advocating what is now proposed. That position militates against giving New South Wales what the Constitution lays down that she should get as a matter of right, namely, the settlement in her favour of the federal capital question. If they were to advocate an early settlement of that question, and if the site were chosen, they would have some excuse for maintaining that the Governor-General should have a separate residence in Sydney, because they could then point out that the capital, for some years to come, would practically be a bush town, and that there was need to have a residence for the Governor-General in a central city like Sydney. But that argument cannot be put forward now. Melbourne is just as civilized and as far advanced in the social scale as is Sydney, and, if the Governor-General is looked upon as the head of our social order, as Senator Dobson so lovingly puts it, he can just as well carry out his duties in Melbourne as in Sydney, although there might be many good arguments against asking him to reside in a back-country town like Yass or Wagga Wagga. I was very much surprised to

Senator

hear the pessimistic remarks of Senator Dobson regarding the selection of the capital site. He said that he hoped the matter would be postponed for twenty years. I remember the honorable and learned senator making an enthusiastic speech at Bombala which led the people there to believe that he would move heaven and earth to have Bombala chosen as the capital site at the earliest opportunity.

Senator DOBSON.—Do not misquote me, please.

Senator PEARCE.—I very distinctly object to the view taken by Senator Dobson that lavish expenditure on the Governor-General's establishment is necessary, because His Excellency is the head of our social order—the order of aristocracy, as he puts it. He has pointed out that there is an aristocracy of labour and an aristocracy in other branches of life. Which particular part of labour Senator Dobson designates the aristocracy of labour I do not know.

Senator DOBSON.—It is not my phrase.

Senator PEARCE.—It certainly is not a phrase that has originated amongst working people. I object to Senator Dobson's assumption that the class of people amongst whom the Governor-General moves, and whom he entertains, are the aristocracy of intellect, which is practically what he says. Nor do I assent to his proposition that by voting this sum of money we are encouraging intellect and merit. Every one knows that the aristocracy referred to is an aristocracy of wealth, and not of intellect; and that by encouraging a lavish expenditure on one or two Government Houses, we are merely voting money for the entertainment of a wealthy aristocracy, and not for the encouragement of an aristocracy of intellect or of merit. Looking at the question from that point of view, it is merely a matter of whether the aristocracy of Toorak shall have this money spent amongst them, or whether it shall be divided amongst the aristocracy of Toorak and the aristocracy of Potts' Point. I should not have touched upon this phase of the question had not the honorable and learned senator alluded to it, and contended that by voting this money we shall encourage intellect and merit, which reign supreme in the assumed higher orders of our social scale. Senator Gould brought forward an astonishing contention. I am sorry that he did not explain more fully to us the theory according to which

he urges that by permitting this expenditure of money in Sydney we shall be benefiting the people of Sydney, and consequently benefiting the whole Commonwealth. Why does not the honorable and learned senator follow out that argument to its logical conclusion? If it is right, on the same ground it might be proper to propose to pay every member of the Federal Parliament £10,000 a year, because undoubtedly the members of the Parliament could spend that money just as well as could the Governor-General. According to Senator Gould's argument such an expenditure would be a benefit to the community. The argument only needs to be carried to its logical conclusion for its absurdity to be seen, and for one to realize the folly of voting money to be expended in this manner in the belief that, by so doing, we are conferring a benefit on the whole Commonwealth. I do not think that any reasonable advocate of this expenditure would put it upon those grounds; and if those are the best reasons for supporting the up-keep of a second establishment in Sydney, they are very shallow and hollow indeed. Senator Pulsford's plea is that because New South Wales has spent something like half-a-million of money upon the establishment of Government House, Sydney, and upon its up-keep, the Commonwealth Parliament should bear the burden; because she has built a white elephant in Sydney, the Commonwealth Government should come to her rescue, pay the interest on the money, and keep up the establishment. If we are to bear the burden of State extravagance the principle should be applied all round. We have had some lavish expenditure in Western Australia. On the same grounds, therefore, that State should come to the Federal Parliament and say—"Here is a department upon which we have wasted money; we admit that we have been extravagant, but the interest has to be met and the up-keep of the establishment has to be paid. We therefore ask you to take it over because it is an extravagance, and we find that it is a burden upon the community." It is very significant that Senator Dobson and others who are so very enthusiastic in regard to any vote for the up-keep of vice-regal magnificence, and to whom nothing is too preposterous and extravagant, but everything is right, when it is proposed to vote moneys in such directions, are the same

honorable senators who wailed about the burden sought to be imposed upon the people of the Commonwealth when we were voting in favour of £2 2s. a week as a minimum being paid to the public servants under the Public Service Bill. That action was estimated to involve an expenditure of £40,000 to the whole Commonwealth—not much more than the vice-regal establishment cost for the past year. The honorable senators to whom I allude are perfectly willing to vote for a Governor-General's establishment, even if it costs £40,000, but they deprecate a similar expenditure when it is for the benefit of those who actually earn the money we pay to them, and who in many cases—in the State Senator Dobson represents, for instance—were underpaid. It is a pity that these honorable senators, before they cast a vote designed to benefit those who do not need it, do not remember the votes they cast against the interests of those who had need of the money it was proposed to spend upon them. Strange to say, the opposition to the proposal for a living wage to the civil service came from the very honorable senators who are now prepared to support extravagance in other quarters for officials who generally have large private incomes in addition to the salaries provided by the Commonwealth. I believe that the people of the Commonwealth are indifferent as to whether the Governor-General entertains or does not entertain. They are indifferent as to whether he is the leader of social life or whether he is unknown in social circles. All they are concerned about is that the Governor-General shall carry out efficiently the duties of his official position. It is no part of the duty of Parliament to vote public moneys for the ostensible purpose of creating a social caste in our community, and of providing social entertainments limited to that caste. I believe that there is a spirit of reasonableness taking possession of the public mind in regard to this question, and that it is that which has caused the trouble during the last year or two. The public are beginning to say—"Why should we vote money for the purpose of keeping up a social standard? Why should public money be voted for the purpose of inculcating ideas of social caste amongst the people." If there are a number of people who consider that intellectually, or from a monetary point of view, they are superior to the rest of the community,

they have a right to pay for that opinion. They should not ask the public to pay for these little social frivolities. I must express my disappointment that, following on the establishment of the Commonwealth, the plan laid down by the leaders of the various conventions has not been observed—that the States Parliaments have not followed up the inauguration of the Commonwealth by placing the appointment of the States Governors and the maintenance of their establishments upon a reasonable and economical basis. The States Governments could have mitigated much of the dissatisfaction which has been caused during the last year if, upon the accomplishment of federation and the appointment of a Governor-General to represent the Imperial Government here, they had requested the Home authorities to give them permission to nominate some well-known resident for the position of Governor in each State. That would have resulted in a great saving.

Senator Sir WILLIAM ZEAL.—Does the honorable senator think that would have been desirable?

Senator PEARCE.—I think so. It would have resulted in considerable savings throughout the States, and we should then have been able to reasonably ask the people to sanction a larger expenditure upon the establishment of the Governor-General. In view of the fact that the establishments of the States Governors are costing as much as they did prior to federation, we must see that we are actually placing an additional burden upon the shoulders of the people. The leaders of the federal movement told us that upon the establishment of the Commonwealth we should be able to reduce the scale of the up-keep of the States vice-regal establishments. They told us that we should have one Governor-General to represent the Imperial Government in Australia, and that the positions of States Governors could be filled by the Chief Justice, or some other prominent person in each State. In Canada they do not import all their State Governors from England, and the occupants of those offices are not expected to keep up style on the scale of magnitude demanded of them here.

Senator CHARLESTON.—But their Constitution is very different from ours.

Senator PEARCE.—The Federal Constitution does not affect the position of States Governors. That is a matter with

which States Parliaments have to deal and the States Parliaments could have assisted the Federal Government by effecting savings in regard to the appointment of their Governors.

Senator Sir FREDERICK SARGOOD.—They have done so.

Senator PEARCE.—I cannot see any indication of it. In Western Australia, at all events, they have not done so. There the Governor is receiving the same salary as before federation, and he is still provided with two residences.

Senator Sir FREDERICK SARGOOD.—The other States have effected savings.

Senator PEARCE.—We know that ambition brings to the front the best men in public life. If the position of a State Governor were within the reach of our public men, it would be an additional inducement for the best men in the community to enter upon a public career. It would be known that after a man had served his country well and faithfully for a certain time, the position of State Governor would be within his reach. I am not arguing that we should have elective States Governors, although personally I consider they ought to be elective. The names of persons fitted for the position should be submitted to the Imperial Government, either by the Federal or the State Ministry, and the office would then be placed within the reach of public men of proved probity. Why should such men be shut out from it when any party leader in England is eligible for the position, no matter how incompetent he may be? If he happens to be in the confidence of his party, and has friends able and willing to pull the strings for him, he can secure an appointment. The States Parliaments might very well take notice of this difficulty, and assist the Federal Legislature by effecting savings in their expenditure upon the States Government-houses, and placing the appointment of States Governors upon a different basis. Let the Imperial Government be represented by one Governor-General. The Governor-General's office should also be placed upon merely an official basis, and those who wish to make the Governor-General the head of their social order should dip their hands into their pockets and pay for it.

Senator Lt.-Col. NEILD (New South Wales).—Senator Pearce points out that the State from which he comes provides two official residences for its Governor, but he

objects to the Governor-General,—whom he recognises to be an official occupying a higher plane than that of a State Governor—being provided for in a similar way. According to the honorable senator, it is all very well for the States Governors to have two places of abode, but the Governor-General must be restricted to one. This seems to be his view, because in a lengthy speech, in which he scarcely touched the question before the Chair, but dealt with a number of side issues such as elective State Governors and other matters, the honorable senator, whilst advocating a reduction of the expenditure in connexion with the appointment of State Governors, did not point out that he entertained the slightest objection to each of the States Governors having two residences. I do not suppose there is a State in the Commonwealth the Governor of which has not a second abode.

Senator PEARCE.—The State Parliament have to deal with that matter.

Senator Lt.-Col. NEILD.—I think that the remarks I have made are perfectly justified by the speech made by the honorable senator. Senator Pearce also bases his opposition to the Government proposal upon a question of social distinction and social expenditure. I do not care a snap of the fingers for either of those reasons. I do not stand here either to support or to oppose the proposition from any such stand-point. In passing, however, I may point out to the honorable senator that entertainments of an official character, such as those given by Governors and Governor-Generals, provide a large amount of employment, and put many an honestly-earned pound into the pockets of the drivers of licensed vehicles, who make a harvest in connexion with them. This is, therefore, not a question alone of public expenditure, but also of private expenditure. I do not suppose that in either Melbourne or Sydney a vice-regal entertainment is given without the cabmen of the city earning £200 or £300. Perhaps they earn a great deal more. I know that the hansom cabs of Sydney number something over 1,000, and that when an entertainment is given at Government House, it is almost impossible to hire a cab for love or money. Such entertainments involve useful expenditure for the benefit of people whose hard earnings are of the greatest consequence to them. I am alluding to these matters only because Senator Pearce expressed regret that Senator Gould had not

supported his arguments with illustrations; I am supplying what occur to me as illustrations. For instance, has the honorable senator considered the amount of money which the florists earn in connexion with vice-regal entertainments, and that they are of great value to the classes who are busily engaged from week to week? I shall not pursue this line of argument further than to say that in decorations, clothing, and artificial adornment both of persons and buildings, there is every opportunity for expenditure, in connexion with these entertainments, that benefits those who earn their daily bread by the nimbleness of their fingers or the sweat of their brow. I support this motion, however, upon entirely different grounds. I support it upon the grounds of public good faith, and that being so, I think that the vote which I shall give will stand upon a much more substantial basis than the vote which may be given because of any reason connected with either vice-regal expenditure or vice-regal entertainment. I do not attach importance to the proposition that these gatherings or entertainments tend to any intellectual advancement. The honorable senator who made use of that expression no doubt had his reasons for doing so, but they do not appeal to me, and I am not going to support the Government on that ground. I support them upon the ground that to refuse the Governor-General a residence in Sydney would be an absolute and positive breach of the spirit of the Constitution.

Senator DE LARGIE.—The Constitution, if it makes any reference to the matter at all, says that the Governor-General shall not reside in Sydney.

Senator Lt.-Col. NEILD.—The place of residence of the Governor-General is to a large extent bound up with the question of the position of the capital. I admit that the Governor-General can live where the capital is not, but I do say that it is an undoubted obligation that the Governor-General shall have a permanent residence in the State which is designed by the Constitution to supply the federal capital. It seems to me that I need not rely upon any arguments of my own. Certainly I am not going to rely upon my own personal assertions. I prefer to call as a witness a high legal authority. I propose to quote from the records a question and answer relating to this subject which

embodied at the time the opinions of the Vice-President of the Executive Council, then as now Counsel for the Crown, and one of the framers of the Constitution. I propose to quote the honorable and learned senator's opinion given to the Government of New South Wales, and upon which that Government acted in providing a separate House for the State Governor, in order to leave what is known as Government House, Sydney, for the use of the Governor-General. The giving of that opinion induced many thousands of people to vote for the adoption of the Constitution who had previously voted in the opposite way.

Senator DE LARGIE.—The Constitution says that the seat of government shall be anywhere in New South Wales, except within 100 miles radius of Sydney.

Senator Lt.-Col. NEILD.—I know all about that, but I am going to quote the opinion of the Vice-President of the Executive Council—

Senator Sir FREDERICK SARGOOD.—Does the honorable senator know that that opinion has been questioned?

Senator Lt.-Col. NEILD.—It happens to be the only opinion that I have before me, and I intend to give it for what it is worth. I think there is no member of the Senate who, if he were entering into expensive litigation, would not feel his position very highly fortified if the favorable opinion of the learned gentleman whom I am about to quote were given in his behalf. This is what the honorable and learned gentleman said with reference to section 125 of the Commonwealth Constitution.

That section, which takes effect the moment the Constitution comes into force, enacts, in mandatory terms, that the seat of government of the Commonwealth shall be in New South Wales. From that moment it becomes impossible that the seat of government can legally be anywhere outside of New South Wales.

Senator DE LARGIE.—Does the honorable and learned senator say that it shall be in Sydney?

Senator Lt.-Col. NEILD.—If the honorable senator will repress his transports a little I will try to go through with this quotation. The last paragraph of the opinion to which I refer runs thus—

For these reasons I am clearly of opinion that, under no circumstances can the Federal Executive or any other authority, legally fix the seat of government of the Commonwealth out of New South Wales.

Upon that I wish to base this argument. Though I admit that Sydney itself is barred as the seat of the capital, still it is more in consonance with the Constitution and the ideas which actuated the people in the adoption of the Constitution that the seat of government should be in New South Wales than that it should be in Victoria, even temporarily. Of necessity there is, I submit, a greater right to expect that the Governor-General shall reside somewhere in New South Wales than in Victoria. I am raising no objection to his residence in Victoria. I have not a word to suggest in opposition to that. By all means, for so long as the Federal Parliament meets in Victoria the Governor-General should have a residence in that State, and I shall always be found voting for it. No member of the Senate, therefore, and no person outside can have the slightest reason for supposing that I am narrow-minded in this matter. But I think that, on the ground of public good faith, there should be no objection to the Governor-General having a residence, not as the seat of government, but at least a residence in that State which is under the Commonwealth Constitution the proper State for the capital of the Commonwealth. Some portion of New South Wales is designated as the site of the capital, and surely in that State, selected by the Constitution as the proper State in which to establish the capital for all time, it must be right that the Governor-General should have, not a suite of rooms in an hotel or a boarding-house, but an official residence that he can visit and reside in at such times as are convenient to himself and to the public service. While I am not going to discuss seriously a proposal that is not before us, and which could not be put before us except by means of an amendment which nobody would support, I think I am justified in submitting for the consideration of honorable senators that there is a great deal of difference between a proposal to provide an official residence for the Governor-General in every State, and a proposal that he should be provided with an official residence first of all where the Federal Parliament meets, and, secondly, in the State designated by the Constitution as the proper place for the permanent capital of the Commonwealth. The difference between the two propositions is, in my opinion, so vast that, as the lawyers say, it is hardly arguable. May I also

say something, not only on behalf of the maintenance of the Constitution, but on behalf of good faith being kept with the people of New South Wales. I do not know how much of the proposed expenditure of £5,500 a year is to be allocated to Government House, Sydney, and how much in respect of Government House, Melbourne.

Senator CHARLESTON.—£2,077 for Sydney Government House.

Senator Lt.-Col. NEILD.—I find that, according to the Customs duties now being paid by the different States, New South Wales will pay fully one-third of the whole, or £1,800 out of the £5,500 as their proportion.

Senator Major GOULD.—And they will also have to pay their proportion of the expense of maintaining the Government House, Melbourne.

Senator Lt.-Col. NEILD.—Exactly. The people of New South Wales will have to pay one-third of that. One-third of the amount of £5,500 is something over £1,800, leaving £3,700 to be divided amongst the other five States. When the brunt of the expenditure will fall upon New South Wales surely the people of that State are entitled to have some little consideration shown them. Though I do not desire to enter upon matters which may possibly raise ill-feeling, I am surely entitled to point out that in some respects this debate has given very little evidence of the great and beneficent federal spirit of which we heard so much while the votes of the people were being asked in support of federation. I would ask where are the evidences of that spirit in some of the speeches which we have heard, not from any class or party in the Chamber, but from individual senators for the objection to what is proposed has come as much from my own bench as from any other part of the Chamber? New South Wales has given up more in connexion with the adoption of the Federal Constitution than any other State. It is the only State of the whole group that abandoned a national policy, confirmed by every general election which had taken place from the time the colony enjoyed the blessings, or otherwise, of responsible government. The people of New South Wales, according to the latest returns, have to bear to-day, for the purposes of federation, a taxation through the customs amounting to something between £1,000,000 and £1,200,000, or in

round figures £100,000 a month of additional taxation for the benefits of federation. We know that when that taxation has reached the home and the housekeeper, it has been increased in various ways, until instead of being £100,000 per month, it is not less than £150,000 per month. That is the price the people of New South Wales are paying for federation. If we take the £1,800,000 a year of additional expenditure and divide it amongst the 400,000 male wage-earners of New South Wales—because it is of no use distributing taxation of this kind over every person in the community—if we place it upon the backs of those who have to pay the piper and keep the house going, it means that every one of the 400,000 male wage-earners in New South Wales has to bear an additional tax of £4 10s. per annum placed upon him. If this is one of the burdens we have undertaken in the interests of federation and with the distinct provision in the Constitution that the capital of the Commonwealth shall be located within the boundaries of New South Wales, what kind of federal spirit is that which induces honorable senators to say—"We will not permit the Governor-General to live within the borders of New South Wales except at an hotel or lodging-house"—because that is what it comes to? The Governor-General cannot be the guest of the States Governors except to a very limited extent; the position would not be tenable, and the issues involved would not be tolerable for either the Governor-General or the States Governors. Unless he is provided with an official residence in New South Wales the Governor-General cannot live, except for very brief periods, away from Melbourne. He may pay occasional visits to New South Wales, but if there is to be anything like a lengthy residence in that State we must have an official house provided for him. I do not go into the question dealt with by Senator Pulsford in connexion with the outlay upon Government House, Sydney, but the honorable senator was misunderstood by Senator Pearce. Senator Pearce was under the impression that Senator Pulsford had said that £500,000 had been spent upon Government House, Sydney, for the purpose of making it fit for residence by the Governor-General. That was a misapprehension. What Senator Pulsford said was that the property was valued at about £500,000,

and the larger part of that value attaches to the land and water frontage and not to the building. How much was spent in good faith to prepare Government House, Sydney, as a suitable residence for the Governor-General — because it must be remembered that the Governor-General came first of all to Sydney, and announced that he was going to live at Sydney — I am not in a position to say. But it was not a question, as Senator Pearce has said, of State extravagance in providing for his residence at Government House, Sydney. It was rather a necessity of the position brought about by federation that he should be provided with a residence there. Possibly a few thousands of pounds were spent, but it would not require to have been a very large sum, because Government House, Sydney, was not a ruin. There may have been a few extra rooms built, but £5,000 or £10,000 would much more nearly represent the expenditure than the £500,000 which Senator Pearce so inaccurately understood Senator Pulsford to say.

Senator CHARLESTON.—The vote for repairs and maintenance last year was £2,500.

Senator Lt.-Col. NEILD.—That would not include all that was spent, because I am referring to the expenditure which took place in the previous year, in order that the building might be ready upon the arrival of the Governor-General on the 1st January.

Senator GLASSEY.—And that expenditure was incurred by New South Wales.

Senator Lt.-Col. NEILD.—Exactly; and under the circumstances that the Governor-General was sent from England to Sydney to reside there.

Senator STYLES.—To proclaim the Commonwealth; not necessarily to reside there.

Senator Lt.-Col. NEILD.—He stayed there for over four months until he came over to Melbourne for the opening of the Federal Parliament and the reception of the Duke and Duchess of Cornwall and York. It is rather late in the day to cavil at expenditure incurred by New South Wales to meet circumstances arising from the necessities of the situation. It was an absolute obligation, and to call it State extravagance is altogether wide of the question. If Parliament refuses to pass the motion — and I am speaking of a proposal by a Government which in New South Wales we do not look upon as one at all disposed to favour its interests; quite the contrary —

it will add, not to the pin-pricks, but to the many grievances which, rightly or wrongly — I think rightly — the people of New South Wales consider they have against the Federation. Three years ago nobody could be reviled more enthusiastically in the streets of Sydney and its press than a man who uttered an opinion adverse to the adoption of the Federal Constitution. To-day you can walk the streets of Sydney and you will run no risk in offering a reward of £5 to any one who will own that he voted for the adoption of the Constitution. You can not find such a man.

Senator WALKER.—Yes.

Senator Lt.-Col. NEILD.—My honorable friend has only just come back from a trip, and he is not quite so closely in touch with local feeling as he will be after he has been at home for a week.

Senator STYLES.—Offer the £5, and we will see whether we can find a man.

Senator Lt.-Col. NEILD.—It would be carrying coals to Newcastle to offer it to the honorable senator. I should be quite safe in making an offer to my honorable colleague, because, no matter what his views were and how willing he might be to own up to having voted for the acceptance of the Constitution, he would not accept so paltry a sum. He was one of those who could not deny the fact now. His one swallow does not make a summer, and his enthusiasm for the past as well as for the present does not alter the fact that I have met people by the score in the course of the day and found no one who had not an anathema at the end of his tongue for federation as it exists from the New South Wales stand-point.

Senator CHARLESTON.—It is unpopular everywhere just now.

Senator Lt.-Col. NEILD.—I do not suppose that New South Wales is the only State in which it is unpopular. A Judge, in Queensland, has stated his opinion that not 10 per cent. of the persons who voted for the acceptance of the Constitution would vote in that way now. I feel absolutely certain that in New South Wales you could not get 10,000 voters in favour of its adoption, unless it was just on the border, where they have got rid of the stock tax. And it was only the border vote which carried federation in that State.

The PRESIDENT.—Does the honorable senator think that his remarks are relevant to the motion.

Senator Lt.-Col. NEILD. — I think they are as relevant as some of the speeches I have listened to, but I shall not pursue the subject any further. What I have sought to show is that New South Wales considers that under the Constitution she is entitled to certain things. One of these is to have within her borders, at times at least, the presence of the Governor-General. I desire to be understood as having offered reasons for showing that, if this were denied by the Senate—and I cannot believe that it will be—it would lead to an even greater feeling of hardship, annoyance, and wrong, than is felt by tens of thousands in that State to-day in connexion with the failure of the Federation to convey to the State some of the advantages which we looked forward to with hope, if not with assurance. Instead of promoting that high federal spirit that we all desire shall be cultivated and extended throughout the Commonwealth, we shall have a sense of outraged feeling.

Senator STYLES.—The people of New South Wales do not care two straws where the Governor-General resides.

Senator Lt.-Col. NEILD.—The honorable senator, perhaps, does not know as much as I do upon that point.

Senator STYLES.—I do not know as much as the honorable senator does upon anything.

Senator Lt.-Col. NEILD.—I would not question my honorable friend's knowledge of the state of feeling in Victoria, because I do not live here sufficiently to be able to speak; but he need not profess to know more of the feeling in the State from which I come than I do, because he does not live there, and can only have his knowledge at second-hand, or, perhaps, even more remotely than that. I have said that I cannot believe that the Senate will undo, or attempt to undo, that which has been done by the House of Representatives who practically sent this proposal here, because it was submitted in that Chamber first. I trust that the motion will be carried by a sufficient majority to show that there is amongst the representatives of the different States here a feeling of loyalty to the provisions expressed and implied in the Constitution.

Senator BARRETT (Victoria).—I hope that I shall be able to discuss this question in a federal spirit. But if the federal spirit means that we are to accept the motion as

it was moved, then I am afraid that I am about to do that which may be considered unfriendly from the federal point of view. Senator Neild has given us good advice with regard to fostering the federal spirit, and told us of the critical position in which we stand. I do not believe that the unfederal spirit attributed to people exists. I believe that throughout Australia as a whole the people are as keen for federation to-day as they were when they voted for the acceptance of the Constitution Bill; and, certainly, I am not going to be scared by any statements of that character into voting for the motion. There are one or two points which, I think, ought to be cleared up. To me there had always been a mystery about the whole of this business, until I heard the speech of Senator Matheson, who traced its history from the time when Sir William Lyne entered into negotiations with the Home authorities down to the present stage. It seems to me that the representatives of New South Wales were determined, from the very first, to have the Governor-General located in Sydney; and, therefore, from time to time, they took certain steps in order to secure an official residence for him there. Senator Neild has just told us that the fact that the Earl of Hopetoun came to Sydney is an evidence—or, at any rate, a reason—why we should vote for this motion.

Senator Lt.-Col. NEILD.—The honorable senator misunderstood me. I pointed out that it was a reason for the expenditure.

Senator BARRETT.—I am very sorry if I misunderstood the honorable senator, but he appeared to me to argue that because His Excellency arrived in Sydney to inaugurate the Federation, the up-keep of Government House must go on for ever. That is a proposition to which I take strong exception. If there has been a mistake made—and I think there has—we should have the courage to retrace our steps and say that it shall not be continued. The position has been simplified to a very great extent by the amendment of Senator Dawson, that the expenditure on Government House, Sydney, shall be continued for the term of only three years.

Senator STYLES.—From when?

Senator BARRETT.—I suppose from the time when the undertaking was entered into by the Commonwealth Government. I have been troubled throughout the discussion by the fact that there was an understanding

between the Federal Government and the New South Wales State Ministry with regard to the up-keep of Government House, although, so far as I can judge from the knowledge I have gained in the debate, and from the despatches from the Colonial-office, there was no justification in the first place for its being made. I shall not go to the length of punishing the Government because they have done an unwise act, and consequently I am prepared to vote for the amendment. I am quite willing to admit all that the mother State has done in this connexion. The burden of Senator Pulsford's contention was that the Government of New South Wales had expended £30,000 upon additions to their Government House. Certainly they were extremely lavish in their expenditure. All honour to the Government for doing that. But the fact that they incurred that expenditure on a residence for the Governor-General does not justify the maintenance of an establishment in Sydney for a second residence for His Excellency for all time. I should like to allay, if I can, any suspicion which the representatives of New South Wales may have with regard to disputing its right to the capital. I move about a good deal, and meet with a good many persons, but I have not heard one so far who has denied its right to the capital. There has been a bargain made in that regard, and so far as I know there is no one who desires to get away from that bargain, although, let me say here, that it was not authorized by the people of Australia.

Senator KEATING.—It was indorsed by the electors.

Senator BARRETT.—Sir George Turner had no authority from the people of Victoria to say that the capital of the Commonwealth should be in New South Wales.

Senator KEATING.—They indorsed that by accepting it afterwards.

Senator BARRETT.—I know that the people of Victoria indorsed it by their votes, but it was not merely that provision that the people of this State and other States voted upon. There were a good many other questions submitted, and many clauses of the original Bill had been modified. The desire for federation was so strong in all the States that the people were prepared to accept even the provision in question which the Premiers had put in the Bill. But that does not alter the fact that the Premiers of the States had not authority for what

they did, and I, for one, am sorry that the provision relating to the federal capital was not left to be determined by the Federal Parliament, in order that the whole of Australia might have a voice in connexion with the settlement. Senator Neild has made a good deal out of the legal opinion given by Senator O'Connor. The New South Wales senators work themselves up into a kind of frenzy when they talk about the federal capital. For instance, last Friday afternoon Senator Millen, who is usually calm and collected, was almost beside himself when he commenced to discuss this question; but he said that he was as an iceberg to a volcano, comparing his feeling with the feeling in New South Wales. I interjected that if that were the case the feeling there must be bad indeed. I wish to allay the feelings of the New South Wales senators. This compact has been entered into by the people of Australia, and, as far as we in Victoria are concerned—I am not speaking for myself, but as one who at present holds one-sixth of the voting power of the State in the Senate—I have no intention of robbing the New South Wales people of their rights. Therefore it cannot be said that I entertain the feelings that seem to be attributed to the Victorians. As to the legal opinion given by Senator O'Connor, I do not suppose that any view that I may have with regard to the Constitution would have much weight as compared with the view expressed by the legal members, but as far as I can see, no one disputes Senator O'Connor's opinion. As far as I can gather from the records of the Senate, Senator O'Connor lays it down that the federal capital cannot be in any other place than in New South Wales, and must not be within 100 miles from Sydney. But we have not yet decided where the federal capital shall be located, and there is a provision implied in the Constitution, that until a certain event takes place, Melbourne shall be the place where Parliament shall meet. In my opinion, it must follow that where Parliament meets, the seat of government must be located. Therefore, we are simply carrying out the compact by determining that until we have decided on the other question of where the capital shall be located, Melbourne shall be the seat of government for the time being. There is another point which I want to emphasize before sitting down. There is no necessity at present to

have two residences for the Governor-General. I may re-echo the sentiment expressed by Senator Pearce, and say that it would be better for the representatives of New South Wales if they were to press for the early settlement of the federal capital question. If that were settled, it might to a very large extent influence the settlement of the question we are now discussing. But under present circumstances, I cannot see what necessity there is for a second Government House. I very much appreciate the arguments that have been advanced, that if Sydney is to have a second Government House for the Governor-General, the same privilege can be claimed for any other State. If it is to be successfully claimed that the Governor-General shall reside in Sydney, an equally good claim could be made with regard to any other capital city in the union. If the honorable senators from the various States urged that view, it would, of course, seem ridiculous. Consequently, I think that at present it is only necessary to have only one establishment for the Governor-General, and I intend to vote for the amendment proposed by Senator Dawson.

Senator WALKER (New South Wales).—As I had not the privilege of being present last week and did not hear the speeches then made, I cannot refer to them, but dealing with the arguments advanced to-day, I would say, in reply to the last speaker, that his allusions to the alterations made in the Constitution by the Premiers remind me of the fact that had those alterations not been made in the Constitution New South Wales would not have been a member of the Federation to-day.

Senator STYLES.—Was it the alteration made in regard to the capital that induced New South Wales to enter the Federation?

Senator WALKER.—It was largely the alteration with respect to the capital being located in New South Wales. I can speak with some authority on this point, because I was one of those who through thick and thin endeavoured to induce New South Wales to come into the Federation.

Senator STYLES.—Did that particular alteration affect the votes at the second referendum?

Senator WALKER.—I think that undoubtedly it did. Even then not a few objected to the provision necessitating the capital being 100 miles from Sydney. I

wish to state first of all why I intend to vote against the amendment. It mentions three years. I understand that the Governor-General, whoever he may be, will be appointed for five years, so that by the amendment it is practically said that for three years His Excellency is to have two residences, whilst for the other two years he is only to have one. Had it been proposed that the Government House, Sydney, should be occupied for five years, or for the term of appointment of the next Governor-General, I could have understood it.

Senator DRAKE.—The proposal of the Government is to limit it to a term of five years.

Senator WALKER.—I am now speaking against the amendment. Even after the federal capital is established in New South Wales, I see strong reasons why we should still have an official residence for the Governor-General in Melbourne; and the same reasons which operate in favour of the present proposal of the Government would then, it seems to me, necessitate there being a second residence in Melbourne. Sydney and Melbourne are unique. They represent the most populous States of the group. Sydney is the head naval station of Australasia. Melbourne is at present the head station of the military forces of the Commonwealth. There need be no jealousy between the two places. New South Wales has shown her liberality in this matter in a very marked manner. The New South Wales Parliament agreed without a division to vote the sum of £3,000 per annum towards the Governor-General's salary, if the money were required for the purpose. Therefore, it is not fair to represent this matter as being one of pounds shillings and pence so far as New South Wales is concerned. Sydney is the old historic capital of Australia, and we cannot disguise from ourselves the fact that the inhabitants of New South Wales have made unusual sacrifices in regard to the Federation. They did their duty nobly in connexion with the inaugural ceremonies, and they submitted with a tolerably good grace to sink their own fiscal views for the benefit of the Federation.

Senator STYLES.—But they secured Inter-State free-trade thereby, and that had something to do with it.

Senator WALKER.—Some people think that we have not quite got Inter-State free-trade yet, but we hope to have it soon.

Senator Neild has referred to the fact that our State Governors are at liberty, in the larger States of Victoria and New South Wales, to occupy country residences. Why should not Sydney be the residence for the Governor-General in the winter months, whilst Melbourne is his residence in the summer months? Sydney in winter enjoys the most delightful climate in Australia. Having recently returned from the old country, I can say this—that one of the few grievances which Ireland possesses is that she has no residence for the Sovereign within her borders. I should like to see one established there. In a similar manner, I should like to see each of the larger States of Australia have a Governor-General's residence; and, if I have the honour of occupying a seat in the Senate when the site for the federal capital is determined, I shall not be one of those who will oppose giving this right to Melbourne. In one of the leading newspapers this morning—one of the leading papers in Australia—it is said that Melbourne is to be practically the federal capital of Australia for the next ten years. If that is not a challenge to the people of New South Wales to take every opportunity to have the federal territory proclaimed as soon as possible, I do not know what is. But until that territory is proclaimed, I trust that the Senate will see its way clear to allow the motion to pass, and I hope that it will be passed unanimously. Senator Neild has somewhat exaggerated the feeling in Sydney at present, but still it is a very prevalent feeling. When I told some of my friends in Sydney that I was coming to Melbourne to-day to vote in favour of this motion, they said—"Oh! we know what that means; it means that Melbourne is to be the great place." The anti-federalists in Sydney have a very strong feeling on this subject. Personally I have always been a federalist, and have never spoken a word against Melbourne in my life. I respect the inhabitants of Victoria. I am a thorough federalist, and although it is unpopular to say so in Sydney, I shall be prepared to say so everywhere I go. I hope the motion will be carried.

Senator Sir FREDERICK SARGOOD (Victoria).—The amount of money involved in the proposed vote is, comparatively speaking, unimportant. But there evidently is involved in it a rather important principle, as may clearly be seen from the way in which the matter has been discussed by

the senators from the mother State. I certainly was astonished last week to see the large amount of energy thrown into the discussion by certain honorable senators, because it appeared to me that this was not a matter which required or justified any loss of temper. The matter, after all, is a very simple one, namely—shall the Governor-General have two residences, or shall he have one? Unhesitatingly I say that if he desires to have two, he ought to have two; but I do not think that the decision as to the second residence should remain with a State, whether it be New South Wales or any other State. We must bear in mind that the possession of two residences would entail a very heavy total expenditure by the Governor-General. As we are now limiting the amount which he is to receive, I think it is reasonable that we should consult his wishes before finally deciding that there should be a second residence. What is the position at the present time? The Parliament is meeting, and must, for some years at all events, continue to meet in Melbourne. Therefore, the Governor-General must necessarily reside here in order to be close at hand to receive the advice of his Ministers, and for the purpose of consultation. The consequence is that the second residence can be occupied by him only during the summer months, and no one with any sense would dream of living in Sydney during that part of the year. Therefore, whatever may be the ultimate result, I cannot see how Government House, Sydney, can possibly be used by the Governor-General as long as the Parliament meets in Melbourne. I am not one of those who desire to retain the Federal Parliament in this city one day longer than is absolutely necessary. On the other hand, however, I should deprecate the rash expenditure at the present time of a large sum of money in building a new federal city. The seat of government must ultimately—and at no very distant date—be in New South Wales. It cannot be within less than 100 miles of Sydney, but I think we may safely say that it will be within easy reach of that capital. Then Sydney will undoubtedly be the head-quarters of the Governor-General. The federal capital will not be far away from that city.

Senator STYLES.—I am not so sure of that.

Senator Sir FREDERICK SARGOOD.—I think we may safely say that it will be

within a few hours by rail of Sydney, and that there will not be anything to prevent the Governor-General from occupying Government House in that city from the time of the establishment of the federal capital in New South Wales. But he will never think of stopping there during the hot weather. He may have a second residence in New South Wales, or he may prefer to have one in Tasmania. I would remind the Senate that it is stated in to-day's newspapers that the Acting Governor-General has decided to go to Tasmania during the summer months, notwithstanding that Government House, Sydney, is available to him. I do not wish it to be thought for one moment that there is any desire on the part of Victoria to retain the Federal Parliament here longer than is necessary. I have known Victoria for more than half-a-century, and I am satisfied that there is no such desire. We shall be quite willing to assist our honorable friends from New South Wales to select a site for the federal capital in that State, and to build it within a reasonable time. In the meantime, I urge the Senate not to tie the hands of a future Governor-General during the whole of his term of office to what must necessarily be a white elephant as long as Parliament meets here. I do not want to go into the constitutional question, because I think it is perfectly clear that if it be a fact that we have no right to demand that the Governor-General shall remain here, because this is not the federal capital, then Sydney can have no claim to his residence there, because Sydney is not, and never will be, the federal capital. It is, after all, merely a matter of convenience. I would urge the Senate to allow the question to be left as it stands. It was not unnatural that the Minister for Home Affairs, who was Premier of New South Wales at the time, should have sought to make Sydney the head-quarters of the Governor-General. The Federal Government have indorsed his action by taking Government House for three years, and whether we like it or not we ought to indorse that action and legislate to carry out the agreement. But do not let us go beyond the agreement until the Governor-General has been appointed and arrives in Australia. We shall then be able to consult his wishes, and I shall be very much mistaken if the Commonwealth is not prepared to do anything within reason to carry out his desires.

It may be said that the course I propose would place the present Government in a rather awkward position when dealing with the Governor-General to be appointed, and that we should be able to tell him definitely that during his sojourn here he will have the absolute use of the Government Houses at Sydney and Melbourne. I do not think that there is any ground for such a contention. It will be sufficient for the Governor-General to know that he will have Government House, Melbourne, during his term of office, and that Government House, Sydney, will also be available for his use during a term of three years. I think we must also bear in mind that the Governor-General will be expected to visit the other States, and that the possession of a second residence in Sydney would very considerably hamper his movements by entailing increased expense upon him. The only way in which we can enable him to meet the desire of the people of the other States that he should visit those parts of the Commonwealth, is to pass a vote to cover his travelling expenses, instead of providing a second permanent residence for him. I do not imagine that Western Australia, South Australia, Queensland, and Tasmania, would be content never to see the Governor-General, and that he should always reside in New South Wales or Victoria.

Senator GLASSEY.—When he comes to Queensland he will be the guest of the State.

Senator Sir FREDERICK SARGOOD.—For these reasons I find that I cannot support the amendment as it stands, because I am not prepared to say that under no circumstances should the Governor-General have a second residence. Circumstances might arise that would warrant us in meeting his wishes in this direction, and I do not think the Commonwealth would be backward in complying, to a reasonable extent, with his desires. In my opinion we should absolutely indorse the action of the Government in accepting Government House, Sydney, for three years, leaving the future to take care of itself. If Senator Dawson will withdraw his amendment, I propose to move to amend the motion by omitting the words "during the term of office of the next Governor-General," and inserting in lieu thereof the words "but this House suggests that the expenditure on Sydney Government House be

limited to the term of three years from 1st January, 1901."

Amendment, by leave, withdrawn.

Amendment (by Sir FREDERICK SARGOOD) proposed—

That the words "during the term of office of the next Governor-General" be omitted, with a view to insert in lieu thereof the words "but this House suggests that the expenditure on Sydney Government House be limited to the term of three years, from 1st January, 1901."

Senator STYLES (Victoria).—I somewhat regret that I shall have to support the amendment, and I may say, that if Senator Higgs had persisted in his proposal, I should certainly have voted for it. Senator Sargood, in a very well-thought-out speech, following another well-thought-out one made by Senator Barrett, has made some of the principal points which I wished to put before the Senate. I think the Senate is indebted to Senator Matheson for the trouble he has taken to place before us so much information relating to this question. I cannot say that I approve of all the remarks made by Senator Higgs—although his speech as a whole meets with my acceptance—and I regret that so broad-minded a man should have seen fit to direct attention to the fact that honorable members from New South Wales did not join in visiting all the proposed sites for the federal capital on the occasion of the senatorial inspection. I can readily understand that they did not find it necessary to make the complete tour. No doubt most of them knew every place which it was proposed to visit, and I am satisfied that, upon reflection, Senator Higgs will regret that he should have referred to the action taken by them. I know very well that if a site had to be selected in Victoria it would not be necessary for me or for any other honorable senator representing this State to make a complete inspection. Most of the sites would be known to us, and therefore I can very well understand the absence of several honorable senators from New South Wales from the trip. No doubt some of them thought that if they visited only a few of the sites it might be considered that they favoured some particular site at the expense of others, and naturally they would not like such an impression to get abroad. We have heard two or three references to the amount of money which was expended upon the last occupant of the Governor-General's office.

I am not complaining of that expenditure, but I desire to state that, so far as I have been able to ascertain, something like £46,150 was expended in connexion with the office during the eighteen months in which the Earl of Hopetoun was here. I should like the Home papers to "please copy." The figures I have quoted show that the Earl of Hopetoun received £30,000 in round numbers in addition to his salary. Surely if that be so, the people of the old country should not through the press accuse the people of the Commonwealth of meanness in the treatment of the first Governor-General! Retrenchment is now the cry throughout the Commonwealth. Rightly or wrongly this Parliament is retrenching the defence forces very largely, yet we are proposing now to increase to an unlimited extent, so far as we know, the expenditure upon the Governor-General. I take some exception to the amendment of the motion made in the first instance by the leader of the Senate. As originally put forward the motion was to this effect—

That an expenditure upon the Governor-General's establishment of £5,500, and upon the Federal Council of £1,925 a year, as submitted in the statement laid on the table of the Senate on the 20th August is approved.

Certain words were struck out of the motion, and others inserted, so that it now reads—

That the expenditure upon Government Houses of £5,500 . . . be approved.

It appears to me that it is not an amendment in the strict sense of the word. The word "establishment" was used in the original motion, but the words "Government Houses" have been substituted for it. We are asked to vote £5,500 a year upon Government Houses. I apprehend that there is a great deal of difference between Government House and the Governor-General's establishment, and I should like to know what additional sum we shall be asked to vote when we have voted this amount. There is no indication given of the amount by which we shall be asked to supplement this vote for the Governor-General's establishment. This vote is only for the maintenance of two Government Houses, two vice-regal palaces. I should like to get some statement from the Vice-President of the Executive Council as to whether the sum of £5,500 is intended to cover all expenses, apart from travelling expenses, for which I see a sum of £1,000 on the

Estimates. Do the Government intend to come down with another proposal to supplement this sum?

Senator O'CONNOR.—No.

Senator STYLES.—Then this 5,500 is intended to cover all expenses.

Senator O'CONNOR.—It is intended to cover all expenses, with the exception, it may be, of some travelling expenses.

Senator STYLES.—I see that a vote of £1,000 a year appears on the Estimates to provide for travelling expenses. I have looked through the Constitution Act as well as other honorable senators, and I can see no provision in it for the payment of any moneys to the Governor-General beyond his salary of £10,000 a year.

Senator Sir FREDERICK SARGOOD.—There is nothing to prevent it.

Senator STYLES.—The Federal Parliament, I know, is all-powerful in that matter, and there is nothing to prevent our spending £100,000 a year, but there is no provision in the Constitution for any expenditure for the Governor-General beyond the £10,000 which is fixed as his salary. If it was intended that there should be other expenditure provided for, it could easily have been stated in the Constitution by the Imperial Parliament. No such provision was made by the Imperial Parliament, though there was no reason why it should not have been made. Had it appeared in the Commonwealth Bill, as placed before the people of the States, that there would probably be an expenditure of £10,000 in addition to the £10,000 fixed as the salary of the Governor-General, there is a strong probability that the people would never have accepted the Bill. They would have said that the expense proposed was too great.

Senator HIGGS.—Many objected that the £10,000 was too much.

Senator STYLES.—Some honorable senator following me may say that it is not customary to refer to any expenditure in the Constitution Act, but that is not so. In the Victorian Constitution Act, which came into operation on the 3rd November, 1855, the Governor's salary is stated in schedule D as £10,000. "Salaries of staff, repairs to Government House, travelling and other expenses, £5,000." That is what appears in the Victorian Constitution Act, and if it had been the intention of the Imperial Parliament that we should pay, in addition to the salary of

£10,000, such sums as are now proposed, why was it not stated in the Constitution? The Imperial Parliament could have done as it liked in the matter while the Constitution was before it. The people of Victoria thought that the expense provided for in their Constitution was too much, and that Act was amended, as honorable senators will find, in the Consolidated Statutes, compiled by the late Chief Justice Higinbotham, under date 1st July, 1890. I refer to this as showing honorable senators what the people of Victoria thought ought to be done after paying the sum provided for in the Victorian Constitution Act after so many years. They struck out absolutely the reference to the £5,000, and allowed the salary to stand at £10,000. This is the section of the amended Act:—

The Governor shall not receive in any year for the salaries of the staff, or for travelling expenses, or for any other allowances or contingencies whatsoever, any sum beyond the sum of £10,000 for the Governor's salary, named in the first part of the schedule annexed to the Constitution Act, and marked D; and shall defray the salaries of his staff, his travelling and all other expenses, except repairs to Government House out of such salary.

There is a precedent to show that provision for this expenditure could have been inserted in the Constitution if it was intended that we should pay these large sums of money. A later amendment was made in the Victorian Constitution in 1895 by the Governor's Salary Reduction Act, when the salary was reduced from £10,000 to £7,000; but the Governor had still to pay all expenses, except repairs to Government House. Senator Sargood referred to summer and winter residences. I would suggest that if we are going to dictate to the Governor-General where he shall reside, we should require him to spend the summer at Hobart, and to spend his winter on the Darling Downs in Queensland, where I was for many years, and where I know there is the finest climate in Australia. Are we going to dictate to the Governor-General where he shall live? As has been pointed out by Senator Sargood, when the Federal Parliament is in session in the winter he will require to be here. If he desires to go away in the summer time when Parliament is not in session, he will hardly select Sydney as a summer residence. Supposing Lord Tennyson, who is now Acting Governor-General, were appointed Governor-General of Australia—and we might make a worse selection—I do not

see why we should desire to go further. We may go further and fare worse, from what I have read about his Lordship—supposing the Home Government saw fit to appoint him as Governor-General of the Commonwealth. After the session is over he might say—"I do not care about going to Sydney. I have been in South Australia for some years, myself and family have formed friendships there, and if you permit me to go to some other State and provide funds for the purpose I should prefer to go to Marble Hill to spend my time there amongst people I know."

Senator Sir FREDERICK SARGOOD.—I hear that Marble Hill is not going to be kept up.

Senator STYLES.—His Lordship might make that selection, and, as Senator Sargood has pointed out, it would not be the proper thing to dictate to the Governor-General as to where he should live. We must give him a voice in the selection of his residence. Then when we have the federal capital fixed upon—and I am so weary of the constant nagging about the federal capital, and of the stale old platitudes about the envy and jealousy of one State towards another, that I should not be sorry if it were fixed upon to-morrow—how many Government Houses shall we have? We must have one at the federal capital. Senator Sargood said that the federal capital must be 100 miles from Sydney, but I should not blame the Sydney people for doing their best, as they probably will, to have it fixed at Sydney. If, however, it were established at Bombala—half-way between Melbourne and Sydney—it would be something like 350 miles from Sydney. We could not expect the Governor-General to run backwards and forwards between those places every week. We would require to provide him with a residence there. I hope we shall all go there to reside for four months in the year. Are we then going to provide a residence for the Governor-General at Melbourne, Sydney, and Marble Hill? It seems to me that by-and-by we shall have a great number of Federal Government Houses. I can understand that during the inauguration ceremonies it was necessary to provide a residence for the Governor-General in Sydney, but if an unwise bargain were made by the then Premier of New South Wales before he became a member of the Federal Ministry, it does not follow that this Parliament

should relieve him of the consequences of that unwise bargain. I do not see why we should step in and pay something that Sir William Lyne and his Government as State Ministers of New South Wales undertook to pay. I do not feel that, as one of the representatives of Victoria, I am called upon to take over what I regard as an unwise bargain made by the then Premier of New South Wales, and if Senator Higgs had not withdrawn his amendment I should have voted for it in order that not one shilling should be paid on account of that arrangement. Supposing that arrangement had involved an expenditure of £10,000 a year, would the Federal Parliament have then taken it over? Upon the same principle, it certainly would have had to do it. The question is whether the people of the Commonwealth ought to pay this money or not, and the amount, whether it be £2,000, £3,000, or £20,000, should not affect the principle. I feel sure that the people of the other States would have entered a very strong protest against paying this money if the sum involved had been a large sum. As it happens to be only a bagatelle, there is not much said about it, but I remind honorable senators that the principle is exactly the same. We were told the other day by Senator Gould that the voting of a lot of money for the Governor-General was not such a bad thing as it looked at first, because it meant the circulation of money amongst the people. He told us also that a private person might spend £20,000 a year, and it would be the means of giving employment to people. The honorable and learned senator, in using such an argument, overlooked the fact that a private person would be spending his own money, and he would be entitled to spend it in any way he chose, but the money we are voting in this case is the taxpayers' money. It does not belong to us, and in dealing with it we are merely the agents of the taxpayer.

Senator Major GOULD.—The money asked for at the present time would be no portion of the money which would be so spent. This is simply for the maintenance of grounds and buildings.

Senator STYLES.—It is for the maintenance of Government Houses, and that is the point I raised some time ago. We may be called upon to spend large sums of money in addition to this vote, in Melbourne as well as in Sydney. Senator Gould twitted Senator Drake with being a party to this

arrangement though he represents Queensland, and represents that State very well. We can quite agree with that, but I should like to know from the honorable and learned senator how Senator Drake could remain a member of the Government who brought down this proposal, without agreeing to it?

Senator Major GOULD.—I said that the whole of the States were represented in the arrangement made in the first instance.

Senator STYLES.—Naturally. It has been stated two or three times that the large population of New South Wales entitles Sydney to have a share of the Governor-General's time. Since the States are all equally represented in the Senate, Tasmania has just as much right to expect the presence of His Excellency as New South Wales has. I do not believe that the people of New South Wales care two straws where he lives. But there is a place called Potts' Point, where, I am told, the aristocracy live, and a select few want His Excellency to be the head of society. Toorak wants the Governor-General in Melbourne, not because he ought to be where Parliament is sitting—

Senator FRASER.—Not they.

Senator STYLES.—I am sure that the honorable senator does not care two straws, but he is not a typical Toorakian. Like myself, he is an ex-contractor, and contractors as a rule do not belong to Toorak. Senator Gould also told us that the President of the United States has an allowance of £20,000 a year, and that we will not vote an allowance of £5,500 a year to our Governor-General. The President of the United States is not the nominal, but the actual ruler of 76,000,000 persons. In Europe there are not more than two or three crowned heads, of any magnitude, who have as much power as he possesses. He rules over 44 States, but he has only one White House. According to Senator Gould's argument, if there are two vice-regal palaces here, in proportion to the population there should be 40 white houses in the United States.

Senator Major GOULD.—They have a federal capital, and we have not.

Senator STYLES.—The honorable senator will not tell the Senate that if he were here at the time, he would refuse to vote a sufficient sum to keep up a Government House at Melbourne when the federal capital was established in New South Wales.

Senator Major GOULD.—I would be prepared to do so.

Senator STYLES.—Ruling over an area a great deal larger than that of Australia, the President of the United States has one official residence, and has an annual allowance of £20,000 for its up-keep and, I presume, for other expenses. If we were to pay our Governor-General in proportion, we should pay him £1,000 a year. To put the converse position: If £5,500 is a proper amount for a population of 3,800,000, to pay for the up-keep of two Government Houses, then an annual sum of £110,000 should be handed over to the President of the United States for the up-keep of the White House. These are no arguments which we have heard. I am only showing how hard-up are my honorable friends for arguments in favour of this expenditure, when they bring forward such reasons in support of their contention. Senator Walker has repeated what Senator Millen stated very emphatically the other day—that it was owing to the provision inserted in the Commonwealth Bill by the Premiers' Conference in January, 1899, that the federal capital should be in New South Wales, that such a big affirmative vote was polled in that State at the second referendum. That seems to be a reasonable thing, at first sight. But I think a great deal more highly of the people of that State than to believe that one in a thousand electors was influenced by such a paltry consideration. Like many thousands in all the States, they were led by their public men, who accepted the second Bill mainly because of the amendment in the third paragraph of clause 57. No doubt Queensland and Western Australia, which had stood out, were influenced by the insertion of clause 96 by the Premiers' Conference. But to say that the people of New South Wales, who come from the same stock as we do, were influenced by such a paltry consideration when such a big question as the acceptance of a Federal Constitution was submitted, is to sum them up as a paltry-minded people. I do not believe they are, and I shall prove that that consideration had no weight with them. The people of Victoria are no better than the people of New South Wales. They do not pretend to be, for they are practically the same people. If that were so then the people of Victoria ought to have voted against the acceptance of the second Bill. If they were not a much better people than the people of

New South Wales, they would have done so if it be true that the latter were influenced by the insertion of the provision referring to the seat of government. I decline to believe that one elector in a thousand was so influenced. There might be a few hundred families round Potts Point who were influenced by that consideration, but the great bulk of the electors were led by their public men, who threw in their lot with the Bill at the second referendum. The opinion of Senator O'Connor as to where the seat of government should be from the outset has been dealt with by Senators Barrett and Sargood. My opinion coincides exactly with theirs—that wherever the Parliament is sitting, the Executive Council must, for the sake of convenience, meet in its neighbourhood, and wherever the Executive Government is to meet, the Governor-General, who is a member of that body, should reside. Whatever the Constitution Act may convey, so far as the letter is concerned, there is no doubt in my mind, and I think there is no doubt in the mind of any layman, that the common-sense construction of the provision is that the official home of the Governor-General is wherever the Parliament is sitting. I find that the people of New South Wales recorded 35,825 more votes for the second Bill than for the first. If it were a fact that the location of the capital in New South Wales influenced that number to vote for the Bill, it ought to have decreased the vote in Victoria, unless we are a very much better people than are the people over the Murray.

Senator Major GOULD. — There were several other amendments made in the Bill.

Senator STYLES.—The principal amendment, and the one which caused me to vote for the second Bill—I voted against the first Bill—was paragraph 3 in clause 57, which absolutely prevents the four small States from finally deciding any dispute between the two Houses. In the first Bill it was provided that at a joint sitting a three-fifths majority should decide the fate of a Bill. The Premiers' Conference provided for the decision to be given by an absolute majority of the two Houses. No doubt it was seen by the Premier of New South Wales, and the Premier of Victoria, that that alteration would prevent the four small States from imposing upon the Commonwealth taxation

of which two-thirds would be paid by the two big States and the balance by the four small States. In the two Houses, the four small States are represented by 51 members, but to command an absolute majority of both Houses at a joint sitting, they would require to be represented by 56 members. That is the reason why so many thousands of persons who voted against the first Bill voted for the second one. In Victoria, notwithstanding the fact that it was definitely settled that the capital was to be in New South Wales, the increase in the affirmative vote was 52,133. In South Australia, the affirmative votes numbered 35,800 at the first referendum and 65,990 at the second one. It seems to me that if the location of the capital in New South Wales affected the voting, both Victoria and South Australia ought to have voted against the Bill on the second occasion. On the contrary, the affirmative vote was increased to a very much greater extent in those States than in New South Wales. In Victoria, the negative vote numbered 22,000 on the first occasion, and less than 10,000 on the second occasion. Every public speaker explained about the capital being located in New South Wales, but the people of Victoria did not care two straws about that, nor did the people of New South Wales. The real reason why the second Bill was accepted in New South Wales was because other amendments had been made by the Premiers' Conference. We were asked a little while ago to state why we agreed to all these things. Senator Barrett said that the Premier of Victoria had no authority from Parliament, let alone from the people, to make the amendments in the Bill. That is quite true. Senator Smith asked why did we accept the Bill, but he knows that we had to accept or to reject the Bill as a whole. There was not one elector in a thousand who would have rejected the Bill on account of the location of the capital in New South Wales. That provision had nothing to do with its acceptance by the States. Therefore, no claim can be advanced by New South Wales on that account. We voted for the Bill on the second occasion, notwithstanding the provision had been inserted at the Premiers' Conference that the federal capital was to be in New South Wales. I regret that the Government has taken up this matter at all, but as they have taken it up, I, as a Government supporter, may,

perhaps, be expected to vote for it. But I shall do nothing of the sort for this or any other Government. If Senator Higgs had not withdrawn his amendment I should have voted for it. I do not know what this kind of expenditure will lead to. The next demand will be, I suppose, that when the Governor-General is residing in New South Wales the Executive Council shall sit there. Members of the Executive Council will have to go from all parts of Australia to Sydney, although Melbourne is the more central spot. It has been stated that the amount asked for will cover all the expenditure, but, in my belief, it will do nothing of the kind. I am convinced that another large demand will have to be made upon the Commonwealth taxpayers later on in connexion with the matter.

Senator GLASSEY (Queensland).—I do not know that this question is sufficiently important to warrant the long debate that has taken place upon it; but as we are not particularly busy, and the work in hand is not very great, I suppose we may just as well occupy our time in discussing this matter as do anything else. Moreover, it is just possible that by giving a silent vote one might run the risk of having one's position misunderstood. The question is not of very great importance, and if the carrying of this motion will alleviate any little feeling that may exist in New South Wales, it may reasonably be adopted. I am not in the habit of going to Government House. I do not suppose that I am any worse than those who do go there, nor do I think that I am any the better for staying away. But I am not fond of attending big social functions, or of mixing in what is called society. Therefore, the vote I shall give cannot be considered as given from a selfish point of view. I shall support the motion—not Senator Dawson's amendment, nor Senator Sargood's—because, though the matter, boiled down is not very important, New South Wales attaches considerable weight to it. It has been argued that if there are to be two official residences for the Governor-General, one in Melbourne and one in Sydney, the other capital cities have an equal claim to an official residence for His Excellency being maintained in each of them. I do not think that the claim thus made is one to which the other States attach any importance. When the federal movement

was being agitated New South Wales asked for some concessions to which she thought she was entitled. Had not those concessions been granted there would have been no federation. If New South Wales had decided to stand out—and she did stand out until her public men were assured that these concessions would be granted—the federal movement would have been a failure. One of the concessions was that the federal capital should be within the territory of New South Wales, but not within 100 miles of Sydney. That being the history of the matter, it is not fair to say that Tasmania, South Australia, Queensland, and Western Australia have an equal claim to have a residence for the Governor-General, maintained by the Commonwealth, in each of their capital cities. It must be remembered that the great bulk of the population of Australia resides in New South Wales and Victoria. If it were necessary to defend the Commonwealth against foreign aggression—and I trust that none of us will live to see the day when that will be necessary—New South Wales and Victoria would have to bear the brunt in supplying both men and money to maintain our position. These two States contain about 2,600,000 people between them out of an aggregate of about 4,000,000. I am just as alive to the interests of my own State as any one can be; but I cannot put forward the claim that we have an equal right with New South Wales, and that a residence for the Governor-General should be maintained in Brisbane. I have noticed that there is a good deal of jealousy between Victoria and New South Wales. I am bound to confess that during my fifteen months' residence in Victoria—and I have mixed a good deal with all sections and all ranks—I have not noticed any feeling of jealousy against New South Wales. I am bound to say, on the other hand, that a good deal of feeling exists in New South Wales with regard to the claims of Victoria. Why should these jealous feelings exist? Surely representative men ought to take higher ground than to watch with jealousy what Victoria is doing, for fear that she gets some advantage from the Federation which New South Wales does not also secure. Unless the little concession which is now asked for is granted, there is a danger that the feeling to which I have alluded will be perpetuated and increased. I am extremely anxious that such

feelings should be removed; and, if the granting of this small concession will tend in any way to bring about that end, it will be a good thing to grant it. I have always opposed unnecessary expenditure, but there is no ground for supposing that if the £2,000 set down for the maintenance of Government House, Sydney, is omitted, and if one residence only be maintained, that sum will be saved. It seems to be clear that if only one residence is maintained for the Governor-General it will cost £5,000, which is the cost now proposed for both Houses: and, therefore, we cannot effect any saving by not passing the motion, whereas by passing it we shall allay the feelings to which I have alluded. The money will, therefore, be well spent. It is alleged that what is proposed is in the direction of extravagance. But it must be remembered that New South Wales has behaved in a very liberal manner. Those who took part in the inauguration of the Federation in Sydney are aware that the people of New South Wales then behaved admirably. They treated the people of the Commonwealth with a spirit of liberality, generosity, good feeling, kindness, and hospitality, which was worthy of all praise. We were all delighted to share in the hospitality. Surely, in return for that, we might do what we can to bring about a better understanding, and to promote the smoother working of Federal Government, so as to lead to greater harmony between all the States. But let us see where the extravagance which is complained of will come in? First of all, for the Melbourne Government House the cost of maintenance is £500 per annum; the expenditure on the up-keep of the grounds amounts to £900. An expenditure of £550 is proposed in connexion with caretakers, charwomen, &c., £126 upon insurance, £125 upon fittings and furniture, £150 to cover breakages of and additions to china and glass, £100 upon flags, £240 in connexion with postal charges, £110 on telephones, and £300 for lighting upon public occasions and for offices, &c., making a total of £3,101. In Sydney the State Government have provided free of rent a magnificent house for the use of the Governor-General. As we have been told, it has been put into first-class order, at a cost to the State of New South Wales of something like £5,000, and certainly the provision proposed to be made for its maintenance

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is not upon extravagant lines. A sum of £740 is provided to pay the caretakers and other servants of the household who have to take care of the premises. Those engaged in maintaining the house will receive £250, whilst £750 is to be set apart for the maintenance of grounds, and the payment of those engaged in looking after them. It can not be said that there is any extravagance in providing £100 for the insurance of the building, and a sum of £87 for telephones for the use of the Governor-General. As a public man who is obliged to keep up an extensive correspondence, it seems to me that the sum of £50, proposed to be set apart to meet the postal charges, is exceptionally small. Then £50 is to be set apart for china and glass, and a like sum for flags, making a total expenditure on Sydney Government House of £2,077 per annum. Is it really worth while to do anything to cause any misunderstanding in regard to this matter, and to give rise to the ill-feeling which was so clearly manifested on Friday by some honorable senators from New South Wales? Is it worth while for us to perpetuate this ill-feeling, and to give occasion for inflammatory and unnecessary comments upon our action? If we oppose this proposal we shall only strengthen the position of some persons who have been from the first hostile to federation, and who are extremely anxious to clutch at any straw in the current of events which may help to maintain that feeling of hostility. Should we help these people to say to those who voted for the union—"We told you so. Even a paltry sum of £2,077 for the maintenance of Sydney Government House will not be provided by the Federal Parliament." I accept the statement made by honorable senators from New South Wales, who should be the best judges of public opinion in their own State, that there are many thousands there who will feel aggrieved if this proposal is not carried out. I am satisfied that if the statement had not been correct Senator Millen and other honorable senators from that State would not have shown so much anxiety and warmth in dealing with this matter. Therefore I shall vote against the amendment proposed by Senator Sargood. I think the Government proposition is exceedingly reasonable, especially in view of the feeling manifested in New South Wales. If this small concession will help to create a better understanding,

the Senate will act wisely and prudently in voting for the expenditure.

Senator HIGGS (Queensland).—I think, Mr. President—

The PRESIDENT.—Has not the honorable senator spoken already upon this motion?

Senator HIGGS.—I have spoken to the original question, but, under Standing Order 126, I have a right to speak to any question, and I propose now to address myself to the amendment.

The PRESIDENT.—Standing Order 126 provides that—

A member may speak to any question before the House or upon a question or amendment to be proposed by himself.

The honorable senator has not proposed this amendment, and therefore he cannot speak again.

Senator HIGGS.—I took it that the question before the Chair was the amendment moved by Senator Sargood.

The PRESIDENT.—Under our new standing orders the practice will be altered, but until then we must stand by these which provide that upon a question an honorable senator can make only one speech.

Senator O'CONNOR (*In reply*). — Although this debate has extended over a considerable time, and covered a very wide field, there is really not very much which calls for any reply, for the simple reason that the series of amendments which have been proposed have really narrowed down the question to very small limits. I would ask the attention of the Senate to what is the real object of the Government in making this proposal. Of course, the Government might very well have treated this as an ordinary matter of administration. They might have taken upon themselves the responsibility of informing the Colonial-office that they would be prepared to ask the Parliament to grant a certain expenditure, and to provide for certain maintenance of residences, in connexion with future Governors-General. But they thought that, considering first of all the uncertainty there was in regard to the actual amount of expenditure required, and considering also the events of the last three or four months in relation to the office of the Governor-General, it would be very much better to put themselves in the position of having a decision by Parliament upon the matter, and being able to inform

the Imperial Government that they would be prepared to make a certain offer to any person who was to be appointed to the office of Governor-General. I think that honorable senators will see that the reason which actuated us in putting this motion before the Senate as well as before the House of Representatives, was that we desired to obtain the sanction of Parliament to this offer before it was made, so that although the offer is not to be put in the form of an Act of Parliament, and although there is nothing binding in it, Parliament will be honorably bound not to interfere with the terms of the proposal after the motion has been carried. That is the object of the motion, and unless that object is carried out, it will be of no value. I mention this for the purpose of showing that all the amendments which have been proposed—the one last proposed as well as the one first put before the Senate—would detract from the completeness—and, if I may say so, from the firmness—of the offer which it is necessary we should make to the Imperial Government. A great deal was said at the outset of the debate as to the want of any necessity for the establishment of both these Government Houses; but long ago it has been admitted, by the withdrawal of the amendment by Senator Higgs, and the substitution of that proposed by Senator Dawson, that the Government are honorably bound to the State of New South Wales to carry out the existing arrangements for a certain period. That has been admitted by the amendment moved by Senator Dawson and that substituted for it by Senator Sargood. It is unnecessary to discuss the history of this matter and the reason why this particular arrangement was brought about. It is admitted that the arrangement must be sanctioned, and that effect must be given to it. Are we simply to give effect to the bare arrangement, and to go no step beyond it when making this offer to the Imperial authorities? It seems to me that Senator Glassey was quite right when he said that the opposition shown to the Government proposal was really a paltry way of regarding a question of this kind. What is really between us? It is admitted that this proposal must be carried out at all events for three years beyond the year 1901—that is to say that it must subsist until 1904. It is contended, however, that it should not subsist beyond that time. The Government proposal is that the arrangement should

continue during the term of office of the Governor-General. We know that the term of office of the States Governors is something like five years, and probably the Governor-General's term will not be more than that. Therefore, the whole question between us is whether we should make this offer for the term of office of the Governor-General so that it would apply only to a period of five years, or whether we should say to the gentleman to be appointed, "You are going to have Government House, Melbourne, and Government House, Sydney, until 1904, but we shall not make any guarantee in regard to the use of Sydney Government House after that time." That would place us in this position: that assuming a Governor-General is appointed to take office at the beginning of next year—and I hardly think that he would be ready to assume office before then—an establishment will be provided for him for one year in Sydney, and for the rest of his term of office he will only have one Government House, in Melbourne. If he accepts office on those terms, is it likely that he will take any steps to furnish Government House, Sydney, or towards making it habitable for him for a period of only a year? He might very well say—"Why should I enter into arrangements to keep Government House, Sydney, going for a year when at the end of that time my occupation of it will come to an end?" He would probably say that he would have nothing to do with it. In that event we should be obliged to maintain Government House, Sydney, under the existing arrangement, and obtain absolutely no benefit from it. If what we wish to do is to avoid friction over these small matters in the administration of the affairs of the Commonwealth, surely we are going the wrong way about it. Is there any way in which we could more emphasize the narrow and, perhaps, I might say, the rather niggardly view of the obligations of the Commonwealth to the Governor-General than by putting the Governor-General in the position of preparing to either reside in Sydney Government House for one year, or portion of the year, or leaving the place empty—the maintenance of it still being paid—as a standing monument to the sectional jealousy of different portions of the Commonwealth, and as a standing monument to what I could not help describing as a most illiberal failure to recognise the magnificent generosity of

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the people of New South Wales when the Commonwealth was first established?

Senator Sir FREDERICK SARGOOD.—But a second house is not wanted.

Senator O'CONNOR.—That is a matter for the Governor-General to determine. We want to be in a position to make an offer. If we are to make an offer at all, surely it should be a reasonable offer extending over the whole period of his service. Honorable senators ought not to put upon the Government of the Commonwealth the necessity of having to approach the Imperial Government with an offer that we will give His Excellency the up-keep of Government House, Melbourne, for the whole term of his office, but with regard to the up-keep of Government House, Sydney, although he may be obliged to go there upon official business, and although he may feel it necessary to reside for some time in that very important part of the Commonwealth, he shall have his own house there only for the period of a year and no more. I say that would not be worthy of the Commonwealth, or of the position we assume to take in the Empire. It would not be in consonance with the boast which we make of the importance and magnitude of the Commonwealth as a part of the Empire. It would not be worthy of the Senate, or of the spirit in which this subject ought to be approached. I can quite understand honorable senators on certain grounds taking exception to any but one residence for the Governor-General, but I say that when we recognise what the position is, and how it has been brought about, and when we recognise the real feeling of interest there is in this question, however small it may appear from a monetary point of view, in the city of Sydney itself, it is not a very great stretch of the federal spirit in which these things ought to be regarded, for us to ask that we shall be put into a position in which we can make an offer to the Governor-General that his residence shall be secured to him for the whole term of the office, if he cares to accept the offer. I should like to refer shortly to what the position really is as regards the amount of expenditure involved. Supposing my honorable friend's amendment were carried, what we should save would be something like £2,000 for two years at the outside.

Senator Sir FREDERICK SARGOOD.—It is a very small matter.

Senator O'CONNOR.—It is a very small matter indeed compared with the irritating

effect the amendment would have, and compared with the position in which it would put the Governor-General and the Government in regard to the whole business. I think it is fair on this occasion to make some reference to what the Government have already done in the matter of cutting down this expenditure. I can assure honorable senators that the matter has given my honorable colleague, Sir George Turner, a great deal of anxiety and consideration. His object has been to bring this expenditure down to the lowest possible limit, and at the same time be fair and reasonable in the treatment extended to the holder of this very high office. The result is that, whereas in regard to these two items there were appropriated in 1901 £13,030, the Federal Parliament is now asked to sanction a vote of only £5,500, the up-keep and different expenditure incurred in connexion with the Governor-General's establishment as to Melbourne Government House, amounting in 1901 to £9,392, and as to Sydney Government House to £3,630. We now ask, so far as Melbourne Government House is concerned, £3,101, and in regard to Sydney Government House, £2,077.

Senator STYLES.—The Royal visit and inauguration ceremonies increased the expenditure last year.

Senator O'CONNOR.—There is included in the vote for Melbourne last year, in connexion with the expenses of the Governor-General, a sum of £5,000, a portion of which, of course, will probably not be a recurring expenditure; but, in regard to the ordinary expenditure, honorable senators will see that we are proposing to cut it down to the very lowest possible amount. Senator Styles asked a very pertinent question as to whether this was to be the end of it, and whether this was to cover all expenses. I tell the honorable senator at once that, in regard to future expenditure, this vote provides for everything except the sum which may be required for travelling expenses for the Governor-General. I think it is admitted that the Governor-General must visit the different States, and in visiting them we hope that he will be treated in the same way as Members of Parliament have been treated, and that he will have the use of the railways free. If he does not have the use of the railways free as has hitherto been the case, it may be necessary to pay his travelling expenses in the same way as the travelling expenses of

members of the Federal Parliament are paid.

Senator HIGGS.—Will members of the Federal Parliament get £1,000 a year for travelling expenses?

Senator O'CONNOR.—Fortunately for the honorable senator and for myself we do not require to travel with the same number of adherents and attendants as the Governor-General. If we did, I think that £1,000 a year would go but a very small way to meet our travelling expenses. This expenditure may not, and I hope will not, be incurred. I hope the States will see the necessity of making the same concession to the Governor-General of Australia that they have made in the past to members of the States Parliaments. That is, surely, not very much to ask of them. I hope it will be done, but if it is not done, it seems to me that the Commonwealth cannot ask the Governor-General to meet this expenditure out of his own pocket.

Senator STYLES.—What is the meaning of the £1,000 on the Estimates—"Travelling, telegrams, and other incidental expenses"?

Senator O'CONNOR.—I cannot tell the honorable senator anything more than what appears here. He will see at once that there must be some expenditure upon official services which the Governor-General cannot be expected to defray. For instance, in the case of official telegrams and cablegrams sent by the Governor-General, not for his own private benefit but as Governor-General of the Commonwealth, it is clear that the Commonwealth must pay for them.

Senator STYLES.—They will be franked.

Senator O'CONNOR.—They will not be franked. The honorable senator must recognise that even Government telegrams are not franked. Cablegrams sent over the lines of the cable companies have to be paid for under some arrangement or upon a certain scale. I do not think it necessary to deal with other matters. But I am glad to be able to answer the pertinent question put by Senator Styles by saying that this vote represents all the expenditure beyond salary, except such expenses as may be incurred in carrying out the official work of the Governor-General, whether in the matter of telegrams, stationery, or matters of that sort, or as travelling expenses. Beyond such expenses, this vote represents what will be charged in addition to the Governor-General's salary. I hope, therefore, that honorable senators will see that

this motion will fail of its effect if the amendment is carried; and as the opinion of the Senate seems so general, that this arrangement should be adhered to, at all events, up to the beginning of 1904, I hope they will see the necessity for continuing it to the end of the term of office of the next Governor-General. After that, it will be open to us to make fresh arrangements. I hope that by that time the federal capital site will not only be fixed, but that we shall be a long way towards having arrangements completed for the reception of the Governor-General there. With regard to what has been said about this, though I have no wish to wander from the question, I must say that it has always seemed to me that one of the most important matters which we have to consider, and one of the most important duties cast upon the Commonwealth Parliament, is that of providing at the earliest possible moment a Parliament House of our own in our own territory, as contemplated in the Constitution, in which we may carry on our business.

Question—That the words proposed to be omitted stand part of the motion—put. The Senate divided.

Ayes ... 16

Noes ... 8

Majority ... 8

AYES.

Charleston, D. M.	Macfarlane, J.
Clemons, J. S.	Neild, J. C.
Dobson, H.	O'Connor, R. E.
Drake, J. G.	Playford, T.
Ewing, N. K.	Pulsford, E.
Fraser, S.	Walker, J. T.
Glassey, T.	
Gould, A. J.	<i>Teller.</i>
Keating, J. H.	Millen, E. D.

NOES.

Barrett, J. G.	Stewart, J. C.
Dawson, A.	Styles, J.
Higgs, W. G.	
Pearce, G. F.	<i>Teller.</i>
Sargood, Sir F. T.	De Largie, H.

PAIRS.

<i>For.</i>	<i>Against.</i>
McGregor, G.	Matheson, A. P.
Zeal, Sir W. A.	O'Keefe, D. J.
Downer, Sir J. W.	Smith, M. S. C.

Question so resolved in the affirmative.

Amendment negatived.

Motion agreed to.

COMMONWEALTH PRINTING.

Senator STYLES (Victoria).—I have the honour to bring up a report from the Printing Committee. I move—

That the document be read by the Clerk.

After it has been read, I shall move that it be printed.

Question resolved in the affirmative.

Report read by the Clerk, as follows :—

1. REFERENCE.—In November, 1901, the Printing Committees of the Senate and the House of Representatives were authorized to confer.

2. SCOPE OF INQUIRY.—The immediate occasion of this action was certain misleading statements respecting the cost of federal printing which had been persistently published to the effect—

(a) That whereas the Convention estimate of the federal printing bill was £14,500 per year, “£40,500 would be nearer the amount.”

(b) That the annual federal printing bill “bids fair to average £800 per week all the year round.”

(c) That the federal printing bill amounts to something like £78,000 per year.

3. NEW EXPENDITURE.—The first and second of these statements were evidently intended to refer to the new and original cost of printing in connexion with newly-created departments. This is conclusively proved by the comparison of the predicted expenditure with the Convention estimate. The evidence submitted to your committee shows, beyond all doubt, that both these statements were quite unwarrantable. At the instance of your committee, a return has been prepared (complete for all the States except Western Australia), which shows that the total cost of printing in connexion with the Federal Parliament and the newly-created departments, from the establishment of the Commonwealth to the 31st March, 1902, a period of fifteen months, amounted to the sum of £24,647, being at the rate of £1,643 per month, or £19,716 per year. This return includes the cost of printing all the Bills submitted to Parliament during the period covered by it, including the Customs Bill, the Tariff Bill, the Distillation Bill, the Post and Telegraph Bill, and the Defence Bill, the cost of which, strictly speaking, should be charged to the transferred departments. It is hardly necessary to comment on the injustice of criticism which, whether made recklessly and without proper inquiry, or with the express desire to injure our Federal institutions, would persistently give prominence to statements so utterly unfounded as those quoted (a) and (b) *supra*. It must be borne in mind that, even with reference to the actual expenditure of £19,716 for the first year, the requirements necessarily involved in launching a new system of Government during a Parliamentary session of unparalleled duration, have been for that year much greater than what they will be in normal years.

4. TRANSFERRED EXPENDITURE.—The third of the above-quoted statements, representing the cost of federal printing at £78,000 per year, is evidently founded on a confusion between the

new federal expenditure and the old pre-federation expenditure in connexion with transferred departments, such as those of Customs, Post and Telegraph, and Defence. The federal system cannot fairly be charged with being the cause of this latter class of expenditure, for, as pointed out by the Clerk of the House of Representatives in his evidence, "as an actual fact, however, three-fourths of the printing to which so much reference has recently been made, had to be done before federation took place. The same work was carried out by the Customs, Postal, and Defence departments before they were taken over by the Commonwealth."

Your committee find that in the departments taken over from the States there has been, during the first year under federation, an expenditure in printing slightly in excess of what will be the ordinary annual cost of the same. The Government Printer explains that that excess has not been owing to any extravagant or unnecessary outlay, but because "everything is new," such as new regulations, new forms, and new documents required to be printed in conformity with new Federal laws. This special expenditure for the first year will not be a continuous expense, recurring from year to year, like the new and original expenditure, but will only be of temporary duration. Even under the separate colony régime these same Departments were from time to time subject to the cost of printing new laws, new regulations, and new forms, as on the occasion of every consolidation which, on an average, may be assumed to take place every ten years. Such general consolidations by the several colonies would involve no less in printing in the aggregate than has had to be spent on the occasion of the establishment of the Federal system; indeed, there has been less under the latter, seeing that there has been only one consolidation of laws, regulations, and forms, whilst under the separate colony system there would have been six separate consolidations and six separate printing bills.

5. **PARLIAMENTARY PRINTING.**—Your committee find that the ordinary printing in connexion with the Federal Parliament consists of Journals, *Votes and Proceedings*, Notice-papers, Parliamentary Papers, Reports of Divisions, Bills, and Parliamentary Debates. This is the class of printing usually incidental to every Parliament conducted on the British model.

At the commencement of the Session the Government Printer was ordered to provide for each sitting—

Notice-papers for Senate	...	...	500 copies.
Notice-papers for the House	...	...	800 "
Journals of the Senate	...	...	900 "
<i>Votes and Proceedings of the House</i>	...	...	950 "

In addition to those numbers which were delivered at Parliament-house for distribution and stock purposes, he was ordered to print and hold in reserve for binding at the end of the session 1,000 copies of Journals, *Votes and Proceedings*, Papers, and Acts. The number printed for the purpose of being bound was afterwards reduced to 500.

Among other printing not necessarily recurring from sitting to sitting, but done as occasion arises, is—Bills introduced, divisions in committee, and other parliamentary papers, amounting

when printed to 1,050 of each for the Senate and 1,150 of each for the House.

Comparing the average cost of this class of work done for the Federal Parliament during the current session, 1901-2, with the average cost of the same class of work done for the Victorian Parliament for the sessions of 1899, 1900, and 1901, your committee find that the Federal expenditure has been less than that of the State.

The cost of printing Bills relating to subjects of exclusively federal jurisdiction, newly-organized and newly-projected federal departments—such as the Judiciary Bill, the Inter-State Commission Bill, the Service and Execution of Process Bill, the Audit Bill, the Property Acquisition Bill, the Public Service Bill, and the Electoral Bill—has, of course, involved new federal expenditure of an amount much greater than will ever be again required in any future session, even if amending Bills become necessary.

6. **CIRCULATION OF PARLIAMENTARY DOCUMENTS.**—On an examination of the list of persons and public bodies among whom parliamentary printed matter has been circulated, your committee are of opinion that the list could with reason and propriety be considerably reduced, and a substantial saving thus effected. If, in a session of four months, the number of copies of each of the parliamentary documents referred to in paragraph 5 of this report were reduced by 300 per sitting, it is estimated that it would result in a saving of £1,169 11s. 6d. during that period.

7. **DEBATES.**—With reference to the printing of Parliamentary Debates, your committee were informed that, at the beginning of the session, 5,500 copies of each weekly issue—of which 3,000 copies were circulated, and the balance kept in hand for stock and binding at the end of the session—were ordered to be printed; the number has since been reduced by 800.

The cost of printing the Debates from 9th May to 30th September, 1901, was £6,531 15s.; from 1st October, 1901, to 28th February, 1902, embracing about the same number of sittings as in the first period, the cost was £5,634 13s., being a reduction of about £900, or involving an average expenditure of about £300 per week. This reduction was effected by a condensation of the reports of the Debates in committee. Assuming that an ordinary session extended over a term of four months or seventeen weeks, the cost for each session would, on the present basis, amount to a little over £5,000.

This, in the opinion of your committee, is not a very heavy expenditure for the printing and publication of the Debates of two Federal Houses, one of which has usually sat four days per week, and the other three days per week. Your committee find that it is much below the average cost per sitting of printing the Debates of the Victorian Parliament, and also less than the cost per sitting of printing the Debates of the Canadian Parliament.

Your committee consider that the result of the comparison of the three *Hansards* is particularly satisfactory to that of the Commonwealth, especially in view of the fact that the compositors employed by the Commonwealth have been paid at the rate of 1s. 3d. per thousand as against 1s. per thousand, the ordinary rate; this increased rate having been allowed as a compensation for

frequent waitings for copy, and for the long hours during which the men had been kept working or ready for work.

Your committee cannot recommend any further contraction of the official reports of speeches. At the beginning of the session the proceedings of the Federal Parliament were fairly well reported in the metropolitan newspapers. There has been of late a distinct falling-off in the character and value of those reports, and a tendency on the part of some of the leading newspapers to condense their reports into mere skeleton summaries, whilst in some cases even the pretence of reports is dispensed with, and sketches of an amusing description, but sometimes inaccurate and unjust, have been substituted. For the information of those of the Australian people desirous of obtaining full accounts of the proceedings of the national Parliament, as well as for the protection of honorable members against inaccuracies contained in imperfect newspaper versions, your committee recommend that the Federal *Hansard* be maintained in unimpaired efficiency.

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Your committee suggest that a common title-page be adopted in the case of all papers presented to both Houses. One set of papers would then suffice for the two Houses, each House receiving a certain number of copies, the balance being retained by the Government Printer for general stock.

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Senator O'CONNOR (New South Wales—Vice-President of the Executive Council).—I propose to move that the consideration of the report be made an order of the day for Friday next.

Senator Lt.-Col. NEILD.—That is too soon, because the report will not be circulated by then. Fix its consideration for this day month.

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Senator STYLES (Victoria).—As the other House will have printed more copies of the proceedings and evidence than are required for the use of its members, it is not necessary for the Senate to order that they be printed as well as the report. An ample number of copies to supply the members of both Houses will be printed to the order of the other House. It is simply the report as it has been read which will be printed for the Senate.

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That the report be considered on Wednesday next.

Question resolved in the affirmative.

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Questions arising in the Senate shall be determined by a majority of votes, and each senator shall have one vote. The President shall in all cases be entitled to a vote, and when the votes are equal the question shall pass in the negative.

Senator MILLEN.—I rise to a point of order. I want to know whether this is a matter which can now be brought up, other business having intervened?

The PRESIDENT.—I do not think it can, nor do I think that this is a matter of privilege, but I did not want to stop the proceedings. I did not wish the objection to come from me, but my ruling, now that the point has been raised, is that the subject cannot be brought up at this stage.

Senator PEARCE.—On the point of order, I should like to draw your attention, sir, to Standing Order No. 147.

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Question resolved in the affirmative.

VOTES OF THE PRESIDENT.

Senator PEARCE (Western Australia).—I rise to mention a matter of privilege, arising out of the division which was taken on the motion with regard to the allowances of the Governor-General. In that division I understand that you, sir, did not record a vote, although you were within the precincts of the chamber. I wish to bring the matter before the Senate in order to determine whether it is in order, and in conformity with the provisions of the Constitution, for any member of the Senate, or for the President, to remain within the chamber during a division and not to record a vote for or against a question. Of course I understand that we are governed first of all by the Constitution, and secondly by the standing orders which we have adopted temporarily, in so far as they do not contravene the provisions of the Constitution. Section 23 of the Constitution provides that—

Questions arising in the Senate shall be determined by a majority of votes, and each senator shall have one vote. The President shall in all cases be entitled to a vote, and when the votes are equal the question shall pass in the negative.

Senator MILLEN.—I rise to a point of order. I want to know whether this is a matter which can now be brought up, other business having intervened?

The PRESIDENT.—I do not think it can, nor do I think that this is a matter of privilege, but I did not want to stop the proceedings. I did not wish the objection to come from me, but my ruling, now that the point has been raised, is that the subject cannot be brought up at this stage.

Senator PEARCE.—On the point of order, I should like to draw your attention, sir, to Standing Order No. 147.

The PRESIDENT.—Our standing orders are founded on the supposition that the President does not vote. The point raised by Senator Pearce cannot be discussed now. It can be raised at some other time. A point of this kind must be taken when the occasion arises, and not after any other business has intervened.

Senator PEARCE.—Surely I am in order in discussing the point of order raised by Senator MilLEN?

Senator MILLEN.—Not after the President has ruled.

The PRESIDENT.—My ruling is that a point of order must be brought up when the occasion arises. If the honorable senator had wished to bring before the Senate the question of whether I was obliged to vote he should have done it when the division list was declared, and should not have allowed other business to intervene.

Senator PEARCE.—It was not known that the President had not voted when the numbers were declared.

The PRESIDENT.—During the whole of the session I have exercised my right to abstain from voting when I thought fit, and no one has objected. Any other honorable senator who does not want to vote can leave the chamber, but I cannot leave the chair.

Senator EWING.—No one dreamed that you would break the standing orders.

The PRESIDENT.—I am not breaking the standing orders. I now call on the next business.

ROYAL COMMISSIONS BILL.

SECOND READING.

Senator O'CONNOR (New South Wales—Vice-President of the Executive Council).—I move—

That the Bill be now read a second time.

As honorable senators are no doubt aware, the Executive Council of the Commonwealth has power to appoint Royal commissions, or rather the Governor-General has vested in him that power as one of the functions of the King. That prerogative power is assigned to the Governor-General under section 2 of the Constitution constituting the office of Governor-General. But though the power of issuing letters patent is vested in the Governor-General, he cannot give any authority to examine witnesses upon oath, or to compel the attendance of witnesses, or to compel the production of documents. It is quite evident that the power to appoint Royal commissions is of no value whatever unless you can give power to examine witnesses on oath, and to compel the attendance of witnesses, and the production of documents. This very short measure is introduced for the purpose of giving such power to

Royal commissions appointed by the Governor-General. It follows the lines of Acts in force now in all the different States. It simply gives the necessary power to examine witnesses on oath, or take affirmations in lieu of the oath. It attaches to affirmations and oaths so taken the penalties of false swearing before a court. It compels attendance under a summons, and compels the production of documents, books or writings, subject to a penalty on summary conviction for non-compliance not exceeding £50. It gives the commissioners the same protection as is given to a High Court of Justice, and it also gives protection to witnesses. It further permits the making of regulations prescribing a scale of allowances to be paid to witnesses, the claim to such allowances having to be certified by the president or chairman of the commission, and to be paid out of moneys provided by Parliament for the purpose of the commission. In fact, the Bill confers all the necessary powers for making Royal commissions a reality.

Senator HIGGS (Queensland).—I merely rise to say that I do not like one clause in the Bill, which provides practically that a witness may decline to give evidence on the payment of £50. That is not a wise provision, because there may be occasions when a Royal commission may deal with a very important matter affecting the Commonwealth and its citizens. Certain witnesses may be able to give very important evidence, and the Royal commission ought to have all the powers of a Supreme Court, so that if any witness refused to answer questions that the commission was legally entitled to put to him, he might be dealt with in the same way as he would be dealt with by a Supreme Court. I trust that Senator O'Connor will see his way clear to agree to some amendment to alter that provision.

Senator MILLEN (New South Wales).—So far as I understand the situation with which this Bill attempts to deal, there is a commission now in existence which is sitting without any legal warrant.

Senator O'CONNOR.—No; but the commission is without the power of summoning witnesses, and of examining them on oath. It has nearly concluded its work now.

Senator MILLEN.—I understand that the oath has been administered by the commission. If that be so, it might be well to put another clause in the Bill validating their actions.

Senator O'CONNOR.—I do not know that that commission has administered oaths.

Senator MILLEN.—If Senator O'Connor is perfectly satisfied as to the position, I have nothing more to say. But it appears to me that there is a possibility of some trouble arising, and that it might be possible, by means of a simple clause, to validate what the commission has done.

Question resolved in the affirmative.

Bill read a second time.

In Committee.

Clauses 1 to 8 agreed to.

Senator O'CONNOR.—With regard to the question asked by Senator Millen before we went into committee, as to whether the evidence taken by the Royal commission which has recently been sitting was taken on oath, I wish to say that I do not think it has been. But as the question has been raised I have sent to ascertain definitely whether the evidence was taken on oath or not. Should there be any necessity to validate what has been done by the commission, the matter can be reconsidered on the motion for the third reading.

Bill reported without amendment; report adopted.

ELECTORAL BILL.

In Committee (Consideration of amendments of the House of Representatives resumed from 22nd August, *vide* page 15310):

Motion (by Senator DRAKE) proposed—

That the committee agree to new clause 140A, as amended, *viz.* :—

Any elector may vote at the polling place for which he is enrolled, or if he is absent from the polling place for which he is enrolled may vote at any other polling place for the same division at any election whether for the Senate or the House of Representatives, if he makes and signs before the presiding officer a declaration in the form R 1 in the schedule.

Senator PEARCE (Western Australia).—When this amendment was last before us, I made some very warm comments upon the system of pairing followed upon that occasion. As some of my remarks may have been construed as a reflection upon the Government whip, Senator Keating, I wish to say that I had no intention of insinuating that he had interfered in any way with the system of pairing. I relieve him altogether of any responsibility for the pairs which were arranged if there was anything wrong in regard to them. I understand that the clause is to be postponed.

Senator DRAKE.—It was pointed out when the matter was last before us that as the new clause had been amended, it could not be postponed.

Senator PULSFORD (New South Wales).—I had not the pleasure of being present when this proposed new clause was discussed last week, but I must say that I have very grave apprehensions as to the danger to the purity of elections that may result from it. It will most undoubtedly give great scope for personation. Unless I am mistaken as to the wording of the clause, it appears to me that under it any handful of unscrupulous men—and there is no State, unfortunately, which does not possess them—could go from polling place to polling place and vote again and again. I have had, in New South Wales, in bygone years, a very considerable experience of the possibilities in this direction, and I have no hesitation in saying that a clause which opens the door as this appears to do, will lead to very gross and extensive personation. I do not see how it is to be checked. I know of many cases of personation which were proved in New South Wales, and for which men were sent to gaol. But we know very well that for one man who was punished, there were scores, if not hundreds, who escaped. Every one who was acquainted with the old electoral laws of New South Wales knew that thoroughly well, and the Legislature found it necessary to take steps to check, if not to stop, the practice altogether. With that object, changes were made in the electoral laws. For example, instead of having some 40 different electorates for the New South Wales Legislative Assembly, the State was divided into 125 single electorates. Every one could see that the smaller the area of the electorates the less was the chance of personation. Provision was also made for voters' certificates, so that no man could possibly vote more than once on the same certificate. A man might purloin the certificate of some absent voter and vote on it, but the possibility of anything of the sort was infinitesimal, and was hardly worth considering. The average division in New South Wales for the House of Representatives embraces five of the State House electorates, and under this provision, which does not require the production of any certificate, a voter could go to ever so many polling places in one division, and vote over and over again. I understand that the clause

gives any voter for the Senate a right to go from division to division. The metropolitan divisions for the House of Representatives, so far as Melbourne and Sydney are concerned, are about ten in number, and in each division there are a number of polling places. What is to prevent an unknown man, who has just got his name on the rolls, from going from one polling place to another and personating some other voter, or repeating his own vote? The matter is one of very great importance, and I earnestly hope that the committee will object to the clause. I am prepared to vote for its excision.

Senator PLAYFORD (South Australia).—I also am prepared to vote for the excision of the clause. I think it is a very great mistake. In the first place, we allow a man who cannot attend the polling place for which he is enrolled to vote by post. We also allow a man who cannot be at the polling place for which he is enrolled on the day of election to have his vote transferred to another polling booth. Now it is proposed to give him a right which, so far as divisions are concerned, does away with the necessity for the two provisions I have named, and which we have made for his convenience. If we allow a voter to vote in any polling place within the division, so far as the House of Representatives is concerned, then we should certainly allow a voter for the Senate to record his vote in any part of a State, as each State is polled as one electorate. Some of the divisions for the House of Representatives comprise enormous areas, with distances ranging up to something like 1,000 miles. I should imagine that there are some divisions in Queensland—there are certainly some in South Australia—which are larger than the whole of Tasmania.

Senator GLASSEY.—In Queensland we have a division which is larger than Victoria.

Senator PLAYFORD.—That being so, I am against this clause. There is no necessity for it. It is an absurdity and an excrescence on the Bill. It appears to have been inserted simply because another place struck out the provision which we had made for voters' certificates. We have had made all the provision that is necessary to meet the case of the absent voter. We have done it in the two ways I have named, and now we are asked to give him a privilege which can be abused to a

very considerable extent. It will be possible to abuse it to a still greater extent than would otherwise be the case, owing to the absence of the provision for voters' certificates. It would be much better for the Government to drop this clause. I understood that the Government were prepared to move the reconsideration of this clause in some way. I wish only to indicate the way in which I shall vote.

Senator DRAKE.—As we propose to reconsider the clause almost immediately, I think we should formally agree to it, in order that that may be done.

Question — That the amendment, as amended, be agreed to—put. The committee divided.

Ayes	...	...	...	11
Noes	...	...	...	11

AYES.

Barrett, J. G.	O'Keefe, D. J.
De Largie, H.	Pearce, G. F.
Drake, J. G.	Smith, M. S. C.
Glassey, T.	Styles, J.
McGregor, G.	<i>Teller.</i>
O'Connor, R. E.	Higgs, W. G.

NOES.

Charleston, D. M.	Neild, J. C.
Dobson, H.	Pulsford, E.
Ewing, N. K.	Sargood, Sir F. T.
Fraser, S.	Walker, J. T.
Gould, A. J.	<i>Teller.</i>
Macfarlane, J.	Millen, E. D.

PAIRS.

<i>For.</i>	<i>Against.</i>
Keating, J. H.	Playford, T.
Dawson, A.	Clemons, J. S.
Stewart, J. C.	Symon, Sir J. H.

Question so resolved in the negative.

Amendment in clause 141 agreed to.

Clause 142 (Questions to be put if voter challenged).

Senator DRAKE (Queensland—Postmaster-General).—The amendments in this clause are almost entirely drafting ones. The other House has omitted the words, "if the right of any person claiming to vote is challenged," so that the clause now provides that the presiding officer may, and at the request of a scrutineer, shall put to any person claiming to vote all or any of the questions which follow. There is no necessity for any form of challenge. I move—

That the committee agree to the amendments omitting the words "if the right of any person claiming to vote is challenged," and substituting for the word "him" the words "any person claiming to vote."

Motion agreed to.

Senator DRAKE.—I move—

That the committee agree to the amendment omitting paragraph II., and inserting in lieu thereof the following new paragraph:—"II. Are you of the full age of 21 years?"

This amendment is necessary in consequence of the voter's certificate having been done away with. It will be observed that the second question was—

Are you the person to whom this voter's certificate was issued?

It has been altered by the other House to read—

Are you of the full age of 21 years?

There is no voter's certificate provided, but it may be necessary in certain cases to ask a voter if he is of the full age of 21 years.

Senator MILLEN (New South Wales).—I do not know that this is of very much importance; but, in view of the alteration to which Senator Drake has referred, is the second question necessary? Before a person can get his name placed on the roll he must have answered that question, and therefore, when in the polling booth, he has answered the first question, namely, that he is the person whose name appears on the roll for the division, he has answered the second question. It seems to me that under these circumstances the second question is not necessary. It proceeds to open up his right to be on the roll. There is no necessity to challenge his qualification to be on the roll after he is enrolled.

Senator DAWSON.—But supposing that he is only seventeen years of age?

Senator MILLEN.—That question ought to have been inquired into before his name was put on the roll. Having once got his name put on the roll, and passed by the revision court, there ought to be no authority in the presiding officer on polling day to question his qualifications. His qualifications have or should have been inquired into before his name was put on the roll.

Senator PLAYFORD.—They never are, and never can be.

Senator MILLEN.—They ought not to be inquired into at a later stage. Having once got his name put on the roll, for the purpose of the clause the only thing for him to do is to satisfy the presiding officer that he is the person whose name appears on the roll for the division. Whether he got there legally or illegally is not the business of the

presiding officer. It is turning the polling-booth into another revision court. We need only one revision court, and that is the one which finally determines the roll, and until the next revision court sits no one ought to challenge the qualifications by virtue of which a person got his name placed on the roll.

Senator DRAKE.—The object of the question is to insure that the person who claims to vote is entitled to do so. In the first place, a person puts in a written application to get his name placed upon the roll without ever being seen by the revision court. Supposing that a person offers to vote who is manifestly a minor or who is apparently under the age of 21 years, why should not the presiding officer be allowed to ask him the question—"Are you of the full age of 21 years?" If he is the person whose name is on the roll, and he is properly enrolled, he is over 21 years of age, and he need have no objection to answering that question in the affirmative.

Senator MILLEN.—The Minister admits that it is making another revision court of the polling booth?

Senator DRAKE.—It is not another revision court. The applicant does not appear personally before any one when he applies to have his name put on the roll. He sends in a written application. The position may not have been properly explained to him, and he may have been an innocent party to a wrong statement. He may have been under 21 years of age when he filled in the form and got his name enrolled, but when he comes to record his vote he appears to be below that age. This clause simply authorizes the presiding officer, if required to do so by a scrutineer, to put the question to him. If he is properly on the roll he says "yes," and there is an end to the matter; but if he cannot say "yes," he has no right to vote.

Senator MILLEN (New South Wales).—The contention of the Postmaster-General is that it is desirable in the polling booth to open up the question of an elector's qualifications. Why does the clause stop at asking the question as to a man's age? Why are not inquiries made as to his other qualifications?

Senator DRAKE.—He is asked—"Are you disqualified from voting?"

Senator MILLEN.—He is not asked whether he has lived in the electorate for the prescribed time. What is the real reason

why the second question was altered? When the voters' certificate was abolished the second question became unnecessary, with and without much thought its form was altered. If the polling booth is to be made a revision court, the work ought to be done properly. I do not think it ought to be a revision court. An answer to the second clause should be sufficient, namely, that the person who claims to vote is the person whose name appears on the roll. If his right to be on the roll is to be inquired into in the polling booth, he should be asked the other questions which would enable the presiding officer to determine whether he had been within the electorate for the prescribed time before he claimed to have his name put on the roll.

Senator DAWSON.—Look at form B.

Senator MILLEN.—That form furnishes a direct answer to the contention of Senator Drake, that a person who is under the age of 21 years may have innocently sent in a written application to have his name put on the roll. In the form of application he is required to say—"I am of the age of 21 years."

Senator DRAKE.—He does not apply personally.

Senator Major GOULD. — The revision court has to revise the list and to be satisfied that he is entitled to vote.

Senator DRAKE.—The revision court do not see the person, and the presiding officer does.

Senator MILLEN.—If the whole of the persons qualifications are to be inquired into, why should he not be asked all the questions which are set down in form B, and not merely one of them? For instance, why should he not be asked whether he is a natural born or naturalized subject of the King, or whether he is an inhabitant of Australia.

Senator DRAKE.—Senator Millen seems to ignore my point. To a certain extent the age may be indicated by a man's appearance, and that is not tested until he applies to vote. There is no reason why he should be asked whether he has been living in the electorate for the prescribed time or the other questions because his personal appearance will not assist the presiding officer in deciding whether he is speaking the truth or not. The applicant may have stated in writing that he was of the age of 21 years, and it is only when

he asks for a voting-paper that an opportunity is afforded of testing the truth of his statement. If he appears to be a mere boy, what is the harm of asking him whether he is of the full age of 21 years? No lady could object to being asked that question. The fact of her being allowed to vote is an admission that she is of the full age of 21 years. It would be a different thing if she were required to state her age.

Senator Sir JOSIAH SYMON (South Australia).—It does not seem to me that this question is arguable for a minute, and I am astonished at Senator Drake so strenuously supporting what has evidently got into the clause by an inadvertence. It will be seen that the definition of an elector is "any person whose name appears upon the roll as an elector." An elector is any person entitled to vote. He goes up to the polling booth, and asks for a ballot-paper. He says—"I am John Jones, and I am entitled to vote." If there is a doubt about it the returning officer may, and on the request of the scrutineers must, ask three questions. The first is—"Are you the person whose name appears upon the roll?" That implies that the person is 21 years of age. If the elector satisfactorily answers that question it is enough. No man or woman should be asked a question as to whether his or her age is over 21. The second question which the Bill formerly ordered to be put was—"Are you the person whose name appears upon the voter's certificate?" The third question was—"Have you already voted?" Then, on the assumption that the person's name appears on the roll, the fourth question was put—"Are you disqualified from voting?" When the question was before the House of Representatives, having done away with voters' certificates, they struck out the question—"Are you the person to whom the voters' certificate was issued?" Then, in order not to offend the Senate, they put in something else. But if this question is allowed to stand, and the scrutineers dispute the age of a voter, what is to be done? The thing is an absurdity. The doubt that is to be solved by putting the questions is as to the identity of the person claiming to be upon the roll, and the question as to the age is not necessary.

Senator DRAKE.—The honorable and learned senator's view of the question topples over as soon as the facts of the case are known. When he says that the House of Representatives inserted the question

referred to out of consideration for the Senate he overlooks the fact that the reference to voters' certificates was necessarily struck out because they are not provided for, and that it was a private member of another place, who was desirous that the question in regard to age should be put. It was inserted probably for the reason I have given—so that when an elector with a particularly youthful appearance came to vote, evidence should be given that he was over the age of 21.

Senator PEARCE (Western Australia).—I think I can give a reason why this question should be allowed to stand. If honorable senators turn to clause 57, they will find that names can get upon the roll not only upon the claims of the electors, and not only by following out the method of form B, but also from information supplied by the police and by the statistical and electoral officers in any State or municipality. A municipal officer supplying this information would necessarily take the municipal roll, which does not contain the ages of voters. In Western Australia, owing to the practice of taking information from municipal officers, we have had upon the roll persons who were not of the age of 21 years, and who never said they were 21. These names have been supplied by the municipal authorities, and when they came to vote at parliamentary elections, and were asked "Are you of the age of 21?" they would reply in the negative, and would not be allowed to vote. I know of a voter who made a claim to vote simply because his name was on an electoral roll, although he was not a naturalized subject of the King. It therefore seems to me that the question is a necessary one, and should be allowed to stand.

Senator O'CONNOR (New South Wales, Vice-President of the Executive Council).—Senator Pearce has given a correct explanation, as I find from the records of another place that it was there pointed out that the municipal rolls are frequently made up from the names of persons who hold land. According to the laws of Victoria and of New South Wales, persons may select land and become occupiers before the age of 21. In New South Wales the age is sixteen; it is eighteen in Western Australia, and eighteen in Victoria. Therefore the persons who make up the municipal rolls, and who supply information to the Commonwealth electoral officers, may supply the names of

such persons, although they are not entitled to vote according to the Commonwealth law. There is no good reason for leaving out this question.

Senator FRASER (Victoria).—I do not think the question can do much harm, though I quite agree that it is altogether wrong to put such a question to a man or woman whose name is on the roll when he or she comes to vote. The time for the age to be ascertained is when an application is made to have the name put on the roll. The municipal officer who supplies the information referred to should know the age of the applicant before supplying the name to the Commonwealth electoral officer. It will be a simple matter for a person desiring to get his name upon the roll to obtain a note from a magistrate, or some other responsible person, saying that he or she is of the age of 21. But it will be an unpleasant thing to put such a question on the day of the election. Some women may look 19 when they are 24 or 25. We are prone to make ourselves look younger than we are. The day of the election is not the time for putting this question. Once on the roll, a person should be allowed to vote.

Motion agreed to.

Amendments in clause 145 agreed to.

Amendment in clause 146 postponed.

Amendments in clauses 148 and 149, agreed to.

Clause 151—

In elections for the Senate, the voter shall mark his ballot paper by making a cross in the square opposite the name of each candidate for whom he votes. The voter shall vote for the full number of candidates to be elected.

Senator DRAKE.—I move—

That the amendment of the House of Representatives omitting all the words after the word "votes," line 4, be agreed to.

This is a provision that has already been the subject of a great deal of discussion. It involves the question of plumping for Senate elections. It will be remembered that when the Bill was before us first it provided for preferential voting, and, of course, for no plumping. Then an amendment was proposed by which, after the provision relating to preferential voting had been defeated, it was proposed to allow plumping. After considerable discussion that was defeated by a very large majority. The Bill originally prohibited plumping. In the House of Representatives the matter was discussed again, and the

last sentence of the clause was struck out. By striking out those words plumping was again restored, and in that form it comes down to the Senate. I am quite prepared to admit that there are arguments which may be used on both sides. One very strong argument used in favour of plumping is that it is not right to force a man to vote for candidates for whom he does not desire to vote. At present a man can refuse absolutely to vote for any one for whom he does not wish to vote. But the provision prohibiting plumping says that though he may, if he likes, refuse to vote for any candidate, yet if he votes for one, or two, or three, he must vote for six if six be the full number to be elected. That I know is strongly objected to by a great number of voters who claim that they should be allowed to vote for two, three or four candidates if they think those candidates should be elected, and to refuse to vote for any to whom they object. I have moved that the amendment of the House of Representatives be agreed to, but, no doubt, the Senate will have a great deal to say with regard to the method of election for this House.

Senator PULSFORD.—Did not the members of the Government in the House of Representatives vote against the amendment?

Senator DRAKE.—The Ministers in this Chamber are occupying the same position as they have occupied all along in proposing that the amendment of the House of Representatives be agreed to.

Senator Sir JOSIAH SYMON (South Australia).—I think we should do better to accept the dictates of Senator Drake's heart rather than the sound of his voice on this question. Those of us who object to plumping have behind us a majority of twenty to eight. In this case I think that the House of Representatives ought to allow the Senate to have its way as to the mode by which its own elections should be conducted. We were particularly careful not to interfere in any way with any machinery dealing with the elections for the House of Representatives. But the House of Representatives have dealt with our method of election. My honorable and learned friend said that there was something to be said in favour of plumping. There is infinitely more to be said against it when we consider the Constitution on the basis of equal representation in the Senate. In the House of Representatives, with equal electorates, it is

practicable to insist on every voter voting, if he votes at all, for his one man. Where there were three to be chosen for the Senate, as it will be, unless there is a penal dissolution, which is not likely in the immediate future, the position, I think, would not be consistent with that which the Senate occupies under the Constitution, if a voter did not exercise his franchise as to the whole number to be elected. That is a matter which mainly concerns the Senate. After full discussion, the Senate decided by a large majority that an elector should be compelled to vote for the full number to be returned; and members of the Government in another place, acting on the principle which actuated the Senate in abstaining from interfering with the machinery of the House of Representatives, supported the view of the Senate. I shall be very glad—if this is to be a precedent—if the Government will always stick to what the Senate does, and I think that in this particular instance they might very fairly accept the situation and disagree with the amendment.

Senator DRAKE.—I should like to correct my honorable and learned friend on one point. He is probably not aware that the amendments in clauses 22, 23, and 24, which were sent to us, were disagreed with, the committee claiming to retain a voice with regard to the election of members of the House of Representatives.

Senator Sir JOSIAH SYMON.—Of course we had a right to do that. We were seeking to prevent jerrymandering.

Senator DRAKE.—In the same way the House of Representatives has clearly a right to express an opinion in regard to this Chamber. We are seeking to bring the two Chambers into accord upon this matter.

Senator STEWART (Queensland).—The leader of the Opposition, I suppose, in the absence of any argument which he could possibly bring forward in support of his contention, has endeavoured to play upon the little jealousy which no doubt exists between the two Houses. He asked, in a burst of virtuous indignation, why we should tolerate any interference on the part of the House of Representatives with the way in which elections for the Senate are to be conducted. In the next breath, the honorable senator invoked the Constitution. He said it would be most unconstitutional if the electors were not compelled to vote for the full number of candidates required.

Senator Sir JOSIAH SYMON.—Those are not the words I used, but they are near enough.

Senator STEWART.—At one moment the honorable and learned senator is prepared to throw the Constitution into the fire, metaphorically to have it burnt by the common hangman. What else could be adduced from the honorable and learned senator's statement that the House of Representatives has no right to interfere with the way in which the elections for the Senate are to be conducted? Although I do not pretend to be a constitutional authority, it appears to me that every Commonwealth Act must be passed by the Parliament of the Commonwealth. The Senate is a portion of the Parliament of the Commonwealth, the House of Representatives is a portion of the Parliament of the Commonwealth, and every Act must be passed by both Houses. To advance as a reason against this amendment that the House of Representatives has no right to interfere with the way in which we conduct our elections for the Senate seems to me to be one of the weakest arguments that could be adduced. The honorable and learned senator said that no reasons had been given why electors should not be compelled to vote for the full number of candidates required. I think that if the honorable and learned senator had kept his ears open he would have heard reasons sufficient to convince any ordinary man of the justice of the amendment now before us. Senator Symon, and those connected with him, desire to compel electors either to disfranchise themselves or to vote for a man whom they do not wish to see in Parliament. There might be four free-traders and three protectionists presenting themselves for election. I might desire to see three protectionists returned, but if the Bill were passed as the honorable and learned senator wishes it to be passed, I should be compelled to either abandon my vote for the three protectionists or to vote for them and neutralize that vote by also voting for three free-traders.

Senator PLAYFORD.—As a rule there will be only three elected.

Senator STEWART.—It does not matter whether the number is three or more. Of course, in ordinary circumstances, unless the Opposition forces a dissolution, there will be only three members elected at an election, but we are not discussing that

matter just now. We are discussing a great principle—the principle that no man should be compelled to vote for a candidate to whom he objects. If any honorable senator laid down the proposition that he should, would the leader of the Opposition consent to it? Not for one moment. He would agree with me that it would be tyranny of the grossest description to drag a man to the polling booth, and compel him to vote for a candidate to whom he objected.

Senator PLAYFORD.—He need not vote at all.

Senator STEWART.—He must either vote for a man to whom he objects, for a man whose policy is utterly opposed to his own, for a man whom he does not desire to see in Parliament, or lose his vote for the man whom he desires to see elected: The honorable and learned senator claims to be an advocate of liberty and freedom, and yet this is the position in which he would place the electors. It would be worse than the old system in England, where landlords used to drive their tenants like slaves in gangs to the polling booths, and make them vote as they desired. This is the most serious blemish upon the electoral laws of the Commonwealth. We know why a number of honorable senators are so strongly in favour of the block vote. They are not governed by principle; there is no principle in the matter. Honorable senators from New South Wales are opposed to plumping, because plumping would seriously endanger the vote of a particular section of the population. They are opposed to it because they could not return five free-traders if plumping were permitted—because it would break the solid free-trade phalanx in New South Wales.

Senator Major GOULD.—We should still return the five.

Senator STEWART.—The Victorians are opposed to the system for the same reason—because it would burst up the protectionist party.

Senator STYLES.—Nothing could do that.

Senator STEWART.—Either party is prepared to sacrifice principle on the altar of political expediency.

Senator MILLEN.—Then the honorable senator admits that under plumping a State would be misrepresented.

Senator STEWART.—No. With plumping minorities would have an opportunity to be represented. Does the honorable senator

wish that a minority should have no representation in the councils of the country? Does he know anything of the history of Parliament? Does he not know that in the beginning every adult in the community was represented in Parliament? Parliament was then a meeting of the people, and our Parliament to-day ought to be as representative of the people as if all the people were gathered together in one meeting.

Senator Sir JOSIAH SYMON. — That is the Hare-Spence system.

Senator STEWART. — I have no particular objection to the Hare-Spence system.

Senator FRASER. — The majority would rule in a mass meeting.

Senator STEWART. — But all would be heard. I have no objection to the majority ruling.

Senator STYLES. — All sections are represented now.

Senator STEWART. — They would not all be represented under the block system of voting. If there were 100,000 free-traders and 99,000 protectionists in New South Wales, the 100,000 free-traders would have all the representation in the Senate. Does the honorable senator desire a condition of affairs such as that? If it appeals to him it certainly does not appeal to me. Every interest ought to be represented here; every cause should have an opportunity of being heard here. It is only by having the fullest representation of every interest, every class, and every movement, so to speak, that we can have legislation in the best interests of the country. I would ask my honorable friends to forget political expediency for once, and to set their feet upon the rock of principle. If they do they will be found voting against an iniquitous provision, which would compel a man to either disfranchise himself or probably to vote for some person to whom he was utterly opposed, and who would not represent him in the Parliament of the Commonwealth.

Senator Major GOULD (New South Wales). — The honorable senator who has just resumed his seat, has been at very great pains to explain the original principles under which persons were represented and able to vote to determine any question. He has also pointed out in reply to an interjection that 100,000 voters could outweigh 99,000 voters in any election. We know that. He claims, however, that the 99,000 would have no representation. To carry that argument further

he must know that if 35 honorable senators divide on any question, the votes of eighteen neutralize the votes of the remaining seventeen, so that to bring the matter down to bed-rock, the majority must rule in some form or other, and the minority has simply to put up with the result. The minority represented in this Chamber, can explain their views here but they can be voted down. There is nothing in that particular argument. The honorable senator also claims that it is a hardship to compel a man to vote for three individuals when he thinks that there is only one of them fit to enter Parliament.

Senator Sir JOSIAH SYMON. — An elector is not compelled—he is only asked to exercise his franchise.

Senator Major GOULD. — Exactly. The honorable senator says that a man who wants to vote for only one, will have to vote for two others whom he does not think should be in Parliament. If there are three to be elected, and if the elector can see only one man whom he considers to be really fit for the position, and for whom he feels impelled to vote, he must take the two least objectionable out of the other candidates, and so assist in preventing the worst from being returned.

Senator DE LARGIE. — Do all the electors vote for the three successful candidates?

Senator Major GOULD. — No. But all vote for the three they desire to be returned. That is the position which we occupy now. There must be some candidate that an elector dislikes more than others, just as there are candidates whom he likes more than others. Senator Drake has claimed that the committee has already exercised the right to dictate to the other House as to the way in which elections for the House of Representatives shall be conducted.

Senator DRAKE. — Not to dictate, but to retain a voice.

Senator Major GOULD. — The honorable and learned senator has referred to clauses 22 and 23. Those clauses relate to the manner in which a State has to be parcelled out for the election of members of the House of Representatives, and that is a matter which is distinctly placed in the hands of Parliament. They do not affect the machinery for carrying out the elections.

Senator PLAYFORD. — It is the way in which the Government originally introduced it.

Senator Major GOULD.—That is so. What the Government say is that Parliament is to approve of the cutting up of a State into divisions ; that there shall be no jerrymandering, and no cutting out of electorates for special individuals by the House of Representatives. In this House the smaller States are represented, because we want to protect the interests of the smaller States against anything of that kind, just as we desire to protect their interests in other respects. We have equal representation here in order to deal with a matter of of that kind. Therefore, the Postmaster-General is quite wrong when he assumes that we are attempting in any way to interfere with the rights of the other Chamber. We are not deciding how their elections shall be conducted ; we are dealing only with the way in which the States shall be cut up. If we insisted upon clause 152 being passed as it left this Chamber there might be some ground for saying that we were interfering with the way in which the machinery of the elections for the House of Representatives was to operate. In claiming to deal with clause 151, we are acting within our own rights, and acting within those rights, it will be our duty when we come to clause 152 to leave the amendment as made by the House of Representatives in regard to contingent voting in the position it now occupies. I hope that the committee will adhere to its original proposal. I am sorry to find that both the members of the Government in this Chamber contemplate going the other way, especially when I recollect that their four colleagues, who voted on the question in another place, voted to retain the clause as sent down by the Senate, showing they recognised that the Senate had a right to deal with it according to their desire. I am sorry that Ministers in this Chamber, because of a kind of loyalty which they think they ought to show to the majority in another place, deem it incumbent upon them to vote in a way directly contrary to that adopted by their colleagues in the House of Representatives.

Senator Sir JOSIAH SYMON.—And against the majority in the Senate.

Senator Major GOULD.—Yes ; it is unfortunate to find a Government divided against themselves. I submit that the whole merits are in favour of the clause as it left this Chamber, and that this is a matter for the

Senate to determine, and to carry out in the way which we consider best.

Senator O'CONNOR.—I do not concur with the honorable and learned senator's view of what Ministers in the Senate ought to do in the circumstances in which we find ourselves. As honorable senators will remember, the Government introduced in this House, as an important portion of the electoral policy, the system of proportional voting, and did their best to carry it. As honorable senators are aware, it was fought to the bitter end, and we gave way only when we found that we were voted down. We say that the next best way of achieving proportional representation is by the system which was proposed in the clause originally. I advocated the adoption of the clause on the ground that it was the nearest approach we could get to proportional representation, and on that ground and others which I shall mention, it ought to be adopted as the method of electing the senators. The committee defeated the proposal by a large majority, and when the Bill was sent to the other House the Ministry, whatever their personal views were, felt themselves bound to do what was possible to carry it into law. Of course, they might have thrown over the Bill because of the existence of that provision, but they thought that it contained so many important provisions which required to be enacted that they were not justified in taking that step. They adopted the Bill as it left the Senate, because their object was to endeavour as far as possible to bring both Houses into agreement on the matter. The duty of a Government is as far as possible to try to bring about practical legislation, and so long as they can achieve that object without sacrificing any material principle in a Bill—so material that it is necessary for the actual carrying out of their legislation—they are perfectly justified in dropping one clause, or taking a view of the clause which does not accord with their personal opinions.

Senator Sir JOSIAH SYMON.—We do not complain of Ministers in the other House voting against it.

Senator O'CONNOR.—Senator Gould complained.

Senator Sir JOSIAH SYMON.—No ; he eulogized them for doing it. His complaint is that the honorable and learned member does not follow their example.

Senator O'CONNOR.—Our ideas of eulogy differ. I take leave to look behind the honorable senator's eulogy in order to ascertain his real meaning. The other House, by a considerable majority, took the opposite view to the Senate, and when the Bill comes back, what position are we to take up? Is it to be said that my honorable and learned colleague and I are to ask the committee to dissent from what the other House has done? Although the other House has carried out the view of the Government, we are supposed to ask the committee to disapprove of what has been done. That would be a most ridiculous position for us to take up. I should have liked to hear Senator Gould expatiate upon that view if it had been adopted. The fact of the matter is that some honorable senators who sit opposite find fault with whatever the Government may do. In the first place, the provision should be considered on its merits, because it is essential for the carrying out of any proper and fair system of representation. In the second place, as it is desirable that the two Houses should come to an agreement, and that the Bill should become law, the provision should be adopted as it left the other House. Senator Gould seems to forget that in the union there are other States beside New South Wales, and other electoral systems besides hers. The block-voting system exists in all the States, but in Queensland, Western Australia, and South Australia the block vote is exercised with the right of plumping. In those three States an elector is not obliged to vote for men of whom he may disapprove, but he is entitled to vote for the three or six candidates, or to give all his votes to one candidate. In Tasmania the senators were elected on a more scientific system of proportional representation. The Hare-Clark system was in force at the time of the elections; but there has been a change in the law which I believe has affected the right of voting. I rely on the example which is furnished by the States of Queensland, Western Australia, and South Australia. Surely, in framing for the first time a uniform electoral law we must pay some consideration to the circumstance that there is a system of voting in three of the States which undoubtedly gives to a man the right which is claimed here—the right to exercise his vote as he likes, and not to be forced to vote for persons whom he disapproves of, and who may hold views which are absolutely

abhorrent to him. What can he do now? His only alternative now is either to refuse to vote, or to include in his vote, and be the means of returning, a man who holds principles which are absolutely discordant with his own.

Senator PLAYFORD.—They will be returned whether he votes for them or not.

Senator O'CONNOR.—That is not so. It enables a man to throw the whole of his electoral power on to one candidate, or on to two or three, as he thinks fit, and if he thinks it is necessary, in order to secure the representation of his views, that he should give the whole of his electoral power to one candidate instead of distributing it over three candidates, on what principle should he not do so?

Senator Sir JOSIAH SYMON.—It is a political betrayal of his rights — of his trust.

Senator O'CONNOR.—The honorable and learned senator carries his case no further by speaking of a man's betrayal of rights, or a betrayal of his trust. His right is to have his opinions represented in Parliament, and he is entitled to exercise the whole of his electoral power in order to secure the attainment of that end.

Senator Sir JOSIAH SYMON.—My honorable and learned friend admits that he wants to get in by plumping this so-called minority representation.

Senator O'CONNOR.—It is not so-called minority representation, but proportional representation. It is the representation of opinions. It is the representation which has been enjoyed in three States out of five, and my honorable and learned friend has to answer that condition of things, and to explain, in some way, why it should be taken away. What has been the result of the working of the block vote system in New South Wales? At the Senate elections the electors were compelled to vote for six candidates. But that did not prevent the carrying out indirectly of the very plumping which has been complained of here. We know that at all these elections there are a number of candidates who have no chance of being returned. In what manner was the end attained of securing the representation of those who did not care to vote the whole party ticket? They voted for two candidates whom they wished to be elected, and for four "wasters" who, in their opinion, had no chance of being returned. Indirectly, and by a misuse of the electoral

system, it was sought to bring about the result which we wish to have brought about here in an open and direct way by carrying out this principle of allowing a man to vote as he thinks proper.

Senator MILLEN.—And the result was that no minorities were represented.

Senator O'CONNOR.—How is that any answer to me?

Senator MILLEN.—The honorable and learned gentleman says that indirectly the system is in operation and does not succeed.

Senator O'CONNOR.—That is no answer to what I have been pointing out—that men will have their opinions represented, and that you cannot secure that object by any electoral devices to compel them to vote against their opinions. They will adopt every kind of indirect means to bring about the result of having their opinions represented. In New South Wales a number of persons had votes cast in their favour who were utterly unworthy of being voted for, and whom the voters did not wish to have elected. All this farce had to be gone through, because the electors would not be dragooned by any system into giving votes which they did not wish to give, and that always will be so.

Senator MILLEN.—And still the dominant majority carried the day in spite of this indirect plumping system.

Senator O'CONNOR.—How does that answer me?

Senator MILLEN.—It shows that the results were the best possible.

Senator O'CONNOR.—It does not.

Senator Sir JOSIAH SYMON.—The honorable and learned gentleman was returned.

Senator O'CONNOR.—That was a good result, certainly. I should have liked two trusty comrades to be returned with me, and they would have been returned if there had been anything like a reasonable system of recording the opinions of the electors. I have cited the experience of New South Wales as an illustration of the impossibility of carrying out the system of block voting. This indirect use of the electoral system for that purpose will be avoided if you adopt the reasonable expedient, not of compelling men to brigade themselves under particular party flags whether they like it or not, but of giving them the liberty of voting in accordance with their opinions. We never will get a Parliament which properly represents the people unless the opinions

which exist outside are fairly represented therein in accordance with their proportions. I feel very earnestly about this matter. I should be very sorry indeed to see the Senate fall into the mistake of depriving the electors in three States of the right which they now possess to have their opinions represented, and of forcing upon them and upon the whole of Australia a system which reserves the antiquated method of endeavouring to ascertain the opinions of the people by compelling them, whether they like it or not, to vote in accordance with certain party lines. I hope that the clause as it stands now will be agreed to.

Senator PULSFORD (New South Wales).—The proposals which are advocated by Senator O'Connor mean the destruction of a great national policy. We cannot have representation in the Senate, or even in the other House, of every odd and end of political thought, and it is not desirable that we should. There are only six senators for each State, and are there only six parties who can be got together in the State? If an election were held under a system of plumping we might have a man returned in the interests of the civil service, a man returned in the interests of the military, a man returned in the interests of temperance, a man returned in the interests of the single tax, a man returned in the interests of protection, and a man returned in the interests of free-trade. Yet the six senators, who were each returned in the interests of a special class, might represent only six out of thirty or forty different ideas floating about in the public mind. Unless I am very much mistaken, the whole basis of the public life of a country is that the public mind must be got to focus round some great principle. Are not the free-trade party and the protectionist party, being the two main parties in the State, eager to absorb into their ranks the smaller parties? Are they not always on the look-out for support? Is there any new idea that can be brought forward which the dominant parties will not be eager to absorb and to support, in order that they themselves may be sustained? That is the way in which, it appears to me, we ought to strive to maintain the political life of the country. Australia is becoming a nation, and we hope that in the future it will be a very great nation. We may be brought face to face with a very serious question,

involving international complications, and are we, then, to focus the whole strength of the voting power of the country around that question, or to divide ourselves on every paltry issue that can be thought of? Do not let us do it. It is very noteworthy that on a previous occasion the representatives of the Government in the Senate supported one policy, and that their colleagues in the other House reversed that policy. What does that mean? That when we carry a motion to-night rejecting the principle of plumping, and the Bill goes back to the other House, the representatives of the Ministry there will accept it. I trust that the committee will put the representatives of the Ministry in that House in the position of supporting this amendment.

Senator PEARCE (Western Australia).—I wish to congratulate the members of the Opposition upon their splendid majority, and the very apparent joy which that fact is causing in their ranks. I do not think that since the opening of the session we have seen so much hilarity in their ranks as we have witnessed to-night. Their majority, which on this occasion may be termed a brutal majority, seems to be the cause of merriment even to such a serious gentleman as Senator Pulsford. But I trust that, in all their merriment, they will not lose sight of the justice of the claim of those whose numerical strength in the country justifies their representation in the Senate. In support of that view I propose to quote some of those whose voices only a few months ago were lifted in defence of the principle they were fighting for, but who to-night are prepared to sacrifice their views in the interests of their party. Senator Charleston, whose excitement this evening is so great that he cannot retain his seat, advocated proportional representation.

Senator STYLES.—He voted against plumping.

Senator PEARCE.—Yes. The honorable senator advocated proportional representation, and voted against the second reading of a Bill which contained that principle.

Senator CHARLESTON.—No; because it provided for single electorates, with the contingent vote.

Senator PEARCE.—The acrobatic feats of my honorable friend on this Bill cannot be paralleled in the history of this world. I am not going to advance any arguments,

but merely to cite the arguments of those who will vote against us to-night. For instance, on the 6th February Senator Ewing said—

It cannot be representation of that State, and the block system, properly organized and properly worked, must always inevitably result in class domination.

Yet to-night he intends to vote for class domination. Senator Best, who, I understand, has been paired against us on this question, also condemned the block vote unsparingly. He said—

The other system that we are accustomed to is the block system, and I think honorable senators will coincide with me when I say that it is full of danger, doubt and uncertainty. The will of the majority at times is absolutely thwarted by the block vote.

The position which was taken up to-night by Senator O'Connor is borne out by the statement of Senator Best, who, it may be remarked, was returned by a block vote. But the statements of Senator Charleston far outvie those which I have quoted. He is unreservedly committed to the principle of minority representation. On the 5th March he said—

Surely my honorable friends do not think that democracy means simply the block vote of the majority, and that the thoughts of the people who are in a minority cannot be represented.

Yet to-night he is going to vote for block voting as against permissive plumping, which, at any rate, is a step in the direction of proportional representation. On that occasion he laid down these propositions:—

It is the elector's duty to cast his vote, first according to what he or she thinks to be the best proposition suggested for the good of the Commonwealth and its government; secondly, for what will best conserve the interests of the citizens in their individual capacity as distinguished from their communal relationship; and, thirdly, upon his or her preference respecting the candidates most suitable for legislative work.

He goes on to say—

It is our duty to enable the electors to record their votes according to their thoughts.

I will show directly how impossible he is going to make it for the electors to do that. He also says—

That is how the system has failed in the United States by leading up to such an organization that the individual is completely lost, and controlled by the "boss" of the political machine.

That shows how the system in the United States has led to the founding of such organizations, that the individual is absolutely controlled by the "boss" of the political machine.

Who is going to control the elections of Australia if we pass the block vote? As far as Victoria is concerned, it is the proprietor of the *Age* who is going to "boss" the elector. As far as New South Wales is concerned, the "boss" will be the proprietors of the *Daily Telegraph*. I say that the party leaders here to-night who are going to snatch a victory on this question are doing so in the interest of their party, and against the interests of their country. This thing is wrong. It is wrong to compel any person to vote for any candidate in whom he does not believe, or whose principles are in antagonism to his own.

Senator FRASER.—Let them put up persons in whom they do believe.

Senator PEARCE.—Let me put the Western Australian position at the last election. We had sixteen candidates, of whom fourteen were free-traders and two protectionists. I am not specifically mentioning the labour candidates, because there was one for each fiscal party. Imagine a protectionist voter going to the poll. What is his position when he wants to cast his vote for the principle he believes in and is compelled to cast four votes for the principle he does not believe in? You can compel that voter by the adoption of the block vote not to vote in the direction he believes in, but against the principle in which he believes.

Senator FRASER.—Let them put up four other men.

Senator PEARCE.—How can the individual elector put up four candidates?

Senator FRASER.—The party can.

Senator PEARCE.—We have to take actual facts into consideration, and the facts are that every elector is not a member of a party. The party organizations do not include the whole of the electorates.

Senator O'CONNOR.—The whole field of political thought cannot be marshalled under free-trade or protection.

Senator PEARCE.—Of course it cannot. Honorable senators are looking at this question as if only three organizations were involved—the free-trade, the protectionist, and the labour organizations. But who is to say that those are the only organizations to be considered? Should not attention also be paid to giving the voters the opportunity of casting their votes in any manner they like for the representatives of any other shade of opinion?

Senator FRASER.—The labour party say they will only consider the members of their own party.

Senator PEARCE.—If any other party had the same numbers as the labour party possess they would have the same right to representation in Parliament. Senator Pulsford spoke in a sneering manner with regard to the temperance party, although I do not believe that he intended to sneer at them. He included them amongst the number of new-fangled parties. I contend that it should be the wish of every democrat that the majority should rule, but not that the minority should never be heard. The true democrat is not a man who believes that because you have 1,001 persons in favour of a certain principle, and 1,000 who are against that principle, the views of the 1,000 should never be heard. Democrats believe that all shades of opinion should have a voice in the shaping of the laws of the country. We claim that it is the voice of the people which should be heard in Parliament, and if you have only the voice of the majority represented you do not have the voice of the whole people. We say that while the majority should rule minorities are entitled to representation here in proportion to their numbers.

Senator CHARLESTON.—Then why did not the honorable senator support effective voting?

Senator PEARCE.—I did.

Senator CHARLESTON.—But the honorable senator's party did not.

Senator PEARCE.—Let us look at the results of this system in the various States. We have the permissive system in vogue in South Australia, Western Australia, and Queensland, whilst in Tasmania we have a more scientific system.

Senator STYLES.—It has been abandoned; it was so scientific that the people could not understand it.

Senator PEARCE.—I take those States where we had the system of permissive plumping, and I place the results for those States in comparison with the representation of New South Wales and Victoria, and say that the representation of Queensland, Western Australia, and Tasmania, is a direct expression of the opinions and the various shades of political thought in those States to a greater degree than is the representation of Victoria and New South Wales in the Senate. Look at New South Wales.

Look at the reflex of political opinion in the State Legislative Assembly. There, up to the time of federation, there was a powerful free-trade party, and a protectionist party almost equal to it, whilst between them there was the labour party, which had such power as to be able to command twenty seats, or thereabouts, in a House of about 100 members. But look at how that public opinion was expressed by the block vote at the Senate election. What was the result? Had it not been for the powerful personal influence of Senator O'Connor the free-trade party would have secured the whole of the representation in the Senate. It was not because Senator O'Connor was a protectionist that he found his way to the Senate, but because of his personal power and popularity. Otherwise the result would have been that notwithstanding that the protectionist vote in New South Wales is a powerful one, and that you have there a third party which stands aloof from both fiscal parties, the protectionist and labour parties would have been entirely unrepresented in this Chamber. If we turn to Victoria we find the same sort of thing, except that the position of parties was reversed. Here we had a powerful protectionist majority, who were able to send practically the whole of their representatives into the Senate—because Senator Sargood only gained the support of a considerable number of protectionists on account of his personal character and his long connexion with Victorian politics.

Senator O'KEEFE.—And because he promised to support the protectionist Government.

Senator PEARCE.—There is the position—that although you have in Victoria a powerful, organized labour vote which runs into 20,000 or 30,000 electors in the metropolitan district alone, the labour party out of three candidates whom it put forward was only able to secure the election of one to the Senate, and the return of that one was largely accounted for by the fact that he was put upon the protectionist ticket. In South Australia, however, from what I know of that State the fiscal question is not so vital as in Victoria and New South Wales. Consequently there were returned to the Senate almost an equal number of free-traders and protectionists from that State. In South Australia the organization of the labour party is less effective than in New South Wales and Victoria, and it was

only able to send one labour representative to the Senate.

Senator CHARLESTON.—There is not a better organized party anywhere than the labour party of South Australia.

Senator PEARCE.—I judge from the results of the State elections; and the very fact of Senator Charleston's presence here is a proof of their want of organization. In Western Australia, where there was a powerfully predominant free-trade vote, and, at the same time, a large labour vote, if we had run the election exclusively in the interest of the free-trade vote, labour would have been denied any representation whatever in the Senate. I ask any one who looks at this question from the point of view of justice, and who does not set up party considerations as being first and foremost, whether it would have been just that a party in Western Australia, which is able to send such a large representation into the House of Representatives, for which there is a single district system, and such a large representation into the State Assembly, should have been denied any representation in the Senate? If we turn to the case of Queensland we find exactly the same state of affairs. There is in Queensland a labour party which is so powerful as to form His Majesty's Opposition in the State Assembly. If that State was to be properly represented in the Senate it would send here a large labour representation. And it did so. But if there had been the block vote in Queensland the result would have been that the party represented by the Government in the State Assembly would have secured nearly the whole of the representation in the Senate. When we see these facts staring us in the face, we are forced to the conclusion that though the actual proof is that this system of permissive plumping allows parties to be represented according to their numerical strength in the country, on the other hand those who are going to vote for the block vote are going to support a system which will conserve the ends of their parties, and prove to the detriment of the party which sits in this corner, while it is opposed to the interests of justice and true representation. Then again I ask that seeing that the permissive system obtains in South Australia, Queensland, Western Australia, and Tasmania, what authority have those States to vote in such a way as to alter that system? There are four States in which parties to all intents

and purposes were satisfied with proportional representation.

Senator STYLES. — What authority have New South Wales and Victorian senators for departing from the block vote?

Senator PEARCE. — I can well understand a Victorian saying, "I am right in voting for what the Bill proposes;" but I cannot understand the representatives of Western Australia, South Australia, Queensland, or Tasmania taking up the same stand, because they have absolutely no authority from the people of their States to make this alteration. The people of those States passed the present system into law, and there has been no outcry from the public against it. No dissatisfaction has been expressed with the results under it. No honorable senator has said that the results in those States were bad either for the States or for the Commonwealth. Have we any authority from the people to assert that they are dissatisfied with the representation of South Australia in the Senate; that they are dissatisfied with the representation of Western Australia; or that of Queensland? If the result of the system is that the States are properly represented here, how can they justify their action in supporting block voting? I contend that the facts prove that honorable senators are content to sink every idea of justice. They are content to throw aside the fact that their States have not expressed any dissatisfaction either with this system, or with its results, and, for the purpose of snatching a party victory at the cost of the labour party, they are prepared to vote for the block system. It is no secret that this is aimed at the labour party. Mr. Wilks, one of the free-trade members of another place, was honest enough to admit that the clause as it was sent down would be to the detriment of the labour party, but said he would vote for it because it would be to the advantage of his own party; and the jubilation depicted upon the faces of those who have been opposed to the labour party from the first tells me that the same principle is actuating those who oppose this amendment. Perhaps their plans will not work out as they think they will. Whereas, in the past, the labour party has been content to secure only a share in the representation of the Commonwealth, we shall be compelled to ask for the whole of that representation.

Senator EWING. — If the labour party can return three men they are entitled to do so.

Senator PEARCE. — The honorable and learned senator gives us something for which we do not thank him. If we can return the three, of course we are welcome to do so. In the past the labour party have recognised that their supporters are in the minority, but they are in such numbers as to warrant the demand for direct representation. We have always asked for minority representation, and nothing more. In connexion with the Senate elections all over Australia, we never asked for more than that which our power in the community warranted. In Western Australia, for example, we urged that two out of the six to be returned should be representatives of labour, and the same contention was put forward in the other States. The public said—"These men are asking only for a fair share of representation," and in consequence thousands voted for labour candidates, not merely upon labour principles, but because they considered we were asking only for a fair representation, which should be conceded to us.

Senator Sir JOSIAH SYMON. — And so it will be with the block vote.

Senator PEARCE. — No. With the block vote we shall be compelled either to adopt the underhand motives, which Senator O'Connor pointed out were resorted to in New South Wales—to put one man forward, and ask the electors to vote for that man, and throw their other votes away on wasters—or else we shall have to send three candidates forward, and ask for the whole representation. Even from the party stand-point of those who oppose us, is it wise to place our party in that position? I frankly admit that I am optimistic enough to believe that the time is not far distant when, if we are forced into that position, and ask for the whole of the representation of Queensland and Western Australia, we shall get it.

Senator MILLEN. — The labour party would get it now, if they could.

Senator PEARCE. — As long as we have not to go to our organizations and say that we have to ask for the whole of the representation or obtain none, they may be—and I believe they will be—content with the present position. The evidence is that they are. Those who support the block vote system are compelling us to take a step which there is nothing to warrant us in believing we should otherwise have taken at any time, because we shall always

be the advance guard in politics, and therefore always in the minority. It may be that the plans of those who are compelling us to take this step will not turn out as they think—namely, that none of us will get back. Three of us may be returned for each State, and they may be left behind. That is not wise, if we look at the matter from the point of view that we wish to make Parliament an expression of the people's will. If the amendment is not agreed to, we shall merely make it an expression of the will of the majority, although that majority may happen to be one of only half-a-dozen. We, who represent labour interests, are in the minority. We cannot shape the legislation of the Commonwealth, but we are able to voice the opinions of the workers on the legislation which comes before Parliament, and, to a certain extent, to influence that legislation. If the block vote system is passed we shall have this position of affairs: That if free-trade is the dominant factor in New South Wales, six free-traders from New South Wales will be returned to the Senate.

Senator PLAYFORD.—They will be balanced by six protectionists from Victoria.

Senator PEARCE. — Yes; and we shall have only two parties in the Senate. It will be simply a matter of free-trade *versus* protection, to the detriment of every other question, until those other questions can command an absolute majority. That is not wise. It would be far better to allow a minority, which is sufficiently large to justify its representation here, to be heard. It is not always wise to sit on the safety valve, and that is what we are asked to do.

Senator PLAYFORD (South Australia). —I am very much astonished at the conclusion arrived at by Senator Pearce that this proposal is aimed at the labour party. So far as I am concerned, it is not, because ever since I have been in Parliament I have voted against plumping, and it was only by the merest chance that that system was not abolished long ago in South Australia. To imagine for a moment that any party which is in a majority will not do all they possibly can to return all the representatives to be elected is simply absurd. The honorable senator seems to think that the ultimate result of passing a law to prevent plumping will be that the labour party will become dominant in the Commonwealth. Directly they are in the majority they will become the dominant power, and no one will ever

blame them. Plumping does not mean what Senator O'Connor has suggested. It does not necessarily mean that the minority occasionally secure representation, but it very often means that the majority does not obtain its fair representation. It does not mean that the man who honestly thinks that there is only one out of the three or six candidates fit to be elected will be led astray. It is not the honest elector who is led astray by the plumping system. It is because the agents of certain parties and candidates go round to the electors and point out how necessary it is for them to plump for certain individuals that the system is largely practised. It destroys, to a very considerable extent, the fair representation of the people. I shall give the committee one illustration of the way it can be worked. If plumping were for the protection of the man who honestly believes that he should vote for only one out of three candidates who happen to be put forward, and that by abstaining from voting he can prevent the other two from being returned—which he can not—I could understand it. Where there are five or six candidates, surely every elector should exercise his judgment and say—"There is one which I place first; there are two others which, I think, would be better than the rest." He is always able to choose the best men that he can obtain to represent him. We must remember that what we place in the hands of the electors is a right and a privilege. An elector knows that there are a certain number of candidates to be returned, and it is his duty to the State to select the three best men, so that the State may be represented fairly and honestly instead of by a mere minority. We should not have agents for candidates and special organizations exercising an unfair influence over electors. The first time that I was defeated in a contest for a seat in the South Australian Legislature, in which plumping was allowed, was when I was one of three candidates who stood for a three-cornered constituency returning two members. I was the favorite candidate. All through the district it was said—"Playford is sure to get in." The only question was who of the other two would be returned. One of the candidates was Mr. Bunday, now Mr. Justice Bunday, and the other was a very old friend of mine, a German. The result was, that because I was the

favorite candidate, I was the defeated one. Bunday's people plumped for him. The Germans plumped for their candidate. My supporters felt so satisfied that I would be returned that they did not plump for me, but honestly divided their votes, and Mr. Playford quietly fell between the two. I was beaten by only a few votes; the electors dropped me and were very sorry for it. They were led away by the false representations of electioneering agents who were working for their special candidates, with the result that the favorite—who if running against either of the others would have been easily elected—lost. That was a very sad affair. I will show the committee the falsehoods associated at times with elections when plumping is allowed. It is known only to those who have been behind the scenes. The minority say to the majority—"You give one vote to our man, and we will give one to yours." The other side do so, and to their utter astonishment it is found in the end that the people who suggested splitting the votes plumped for their own candidate. Plumping absolutely demoralizes the people just as much as does the totalizator or gambling generally. I will give the committee my experience at the first election for which I stood. That was in 1868, and I was then a young man. An old friend of mine having retired from the representation of a certain district in which I resided, and in which I was pretty well known, having been mixed up with local politics for some time, I thought I would have a flutter. It was one of those wretched three-cornered electorates returning two candidates. Three of us stood. One of the candidates was a gentleman very well known in South Australia, another was my old German friend, and the third was your humble servant. We put our heads together, and determined that we would do all that we could to prevent plumping. The election took place, and to the utter astonishment of my German friend and myself, the other candidate was at the head of the poll, with an immense majority of plumpers. I spoke to him about the matter, and he swore by all that was holy that he never instigated the plumping movement in the slightest degree. I will tell the committee what occurred. At a place called Callington, there was a big mining population, and a committee was formed to secure the return of the gentleman referred to and myself.

They did not care about the German, because they were nearly all Cornishmen. I should have mentioned, by the way, that I was returned, being second on the poll; and after the election the secretary to the committee was instructed to write a letter to that gentleman and myself, congratulating us upon our return. There were a few additional words in his letter which did not appear in mine, and, unfortunately for the secretary, he put the letter into an envelope addressed to me, and the letter intended for me into an envelope addressed to him. What did I read on opening the letter? Something to this effect:—

Dear Sir,—We beg to congratulate you upon your return at the head of the poll. We can assure you that we did everything that we possibly could to secure your return, and trust you are satisfied at the result. We only got your wire asking for plumpers at 11 o'clock in the morning, and therefore we did not get as many as we might otherwise have done.

Of course I opened the letter because it was addressed to me, and that is what I read before I saw that it was intended for the other candidate. I sent it to him with a note that he had got my letter and that I had received his, and I said to him—"You infernal scoundrel, I knew you went in for plumping." Do not honorable senators think that we ought to save the people from such temptations? I have given the committee only two instances for the absolute accuracy of which I can vouch, but I have heard from others of the scandalous conduct of agents and associations who know their supporters are in a minority, and who seek to obtain the split votes of the larger section of the community by false representations. Anything we can do to put a stop to such a system should willingly be done. Having opposed from the first the system of plumping because of its evil effects, it cannot be said that I am opposing it now in order to aim a blow at the labour party. In South Australia, where the labour party put up two candidates for the Senate, it was fully recognised that they deserved to have one, at all events, out of the two, returned, and they obtained their fair proportion of split votes. That they plumped pretty freely for their own candidates there can be no doubt; but I never heard any complaint that they deceived the people, and they obtained a large number of votes from non-members of the labour party. We have always considered in South Australia that the labour party deserve a certain degree of representation,

as they are a very important section of the community, and they will find that, without having resort to the practice of voting for wasters, they will be dealt with fairly by the people throughout the Commonwealth. If we can do anything to stop the lying which goes on in connexion with elections, and to prevent the people from being led into false statements because of the plumping system, we shall do a good work on the score of morality.

Progress reported.

Senate adjourned at 10.2 p.m.

House of Representatives.

Wednesday, 3 September, 1902.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

COMMONWEALTH PRINTING.

Sir JOHN QUICK presented the report of the Printing Committee upon certain allegations regarding the cost of Commonwealth printing.

Report read by the CLERK (*vide* page 15654).

PAPERS.

MINISTERS laid upon the table the following papers:—

Royal Australian Artillery: Alteration of Regulations respecting Appointments.

Customs Act: Drawback Regulations (Manufacture of Sugar).

Excise Act Excise Tariff: New Sugar Regulations.

Post and Telegraph Act: New and Amended Regulations, dated 21st August, 1902.

The CLERK laid upon the table the following paper:—

Polling at First Federal Elections: Return.

COMMONWEALTH ACTS.

Mr. BATCHELOR.—I desire to know whether in view of the difficulty of obtaining copies of the Commonwealth Acts, the Acting Prime Minister will appoint some place in each of the States where they can be purchased by the people?

Mr. DEAKIN.—For some time past copies of the Commonwealth Acts have been on sale at every Government printing-office in the States.

Mr. BATCHELOR.—That is not known.

Mr. DEAKIN.—It may not be generally known, although it has been advertised. I may mention that a second set of Commonwealth Acts has already been sent to the various States.

PETITION BY KANAKAS.

Mr. BAMFORD.—I asked the Acting Prime Minister a few days ago a question with reference to a petition to the Throne from certain kanakas in Queensland. The Minister had no information at that time, and I now desire to know whether he has made any inquiries.

Mr. DEAKIN.—I found on inquiry that I had received no copy of the petition referred to. I have, however, asked the officers of the department to endeavour to obtain one.

CUSTOMS TARIFF BILL.

Bill returned from the Senate, with a Message again requesting certain amendments, and modifying other requests (*vide* page 15539).

Mr. MAUGER.—I would ask your ruling, Mr. Speaker, whether this message complies with the provisions of the Constitution and our own standing orders? It seems to me that former requests are being repeated, instead of new requests being made.

Mr. SPEAKER.—I have realized the importance of the matter which is now before the House, and have conceived it possible that an appeal might be made to me for a ruling upon the point mentioned by the honorable member for Melbourne Ports. Having considered the matter carefully, I have devoted special attention to the questions—(a) Whether the Message just read is one we should receive; and (b) Under what authority we may deal with the message. Our practice in matters relating to money Bills is controlled by sections 53, 54, 55, and 56 of the Constitution, and by our standing orders which may not conflict with the Constitution. Under section 50 of the Constitution—"Each House of the Parliament may make rules and orders with respect to"—(1) The mode in which its powers, privileges and immunities may be exercised and upheld; (2) The order and conduct of its business and proceedings, either separately or jointly with the other House." No rules or orders have been made by this House either alone or jointly with the other

branch of the Legislature with respect to the order and conduct of its business and proceedings in relation to Money Bills under discussion between the two Houses. Under certain provisions of the Constitution, *e.g.*, the first three sub-sections of section 53, the practice laid down is so clear that I should have, even in the absence of standing orders, no doubt as to how I should rule in any matter arising thereunder. Under sub-section (4) of the same section, however, I find that the words, "the Senate may at any stage, &c." are open to at least two interpretations, and that, therefore, it is necessary that the two Houses should jointly, by majorities, make rules or orders laying down the practice to be followed in all cases arising under the provisions of the Constitution herein. As a majority of the House would have the power to make rules or orders, it appears to me to be my duty to give no ruling which would fetter a majority of the House on this occasion in determining for itself whether it will consider the Message, or what it will do in the matters with which it deals. I, therefore, rule that the question of the receiving and consideration of the Message is one to be determined by the vote of the House. As to the further point, I remind honorable members of Standing Order No. 378, under which it is competent for the House, if it so pleases, to take a Message into consideration either at once or at a future time, and I rule that the order gives all the necessary power to consider the Message and to determine all the issues raised in it as a majority may desire.

Mr. DEAKIN (Ballarat — Attorney-General).—Mr. Speaker, the ruling which you have given obviously casts upon this House the duty of determining whether the Message of the Senate should be received. As you have pointed out, the position at present is that we are not only without permanent standing orders of our own, but that we are entirely without joint standing orders which could govern the procedure by which measures or messages were interchanged between the two Houses. Under these circumstances, if I may say so, it appears to me that your ruling should be upheld so far as you have declined to prevent this House from itself deciding as to the action it should take in this or any other analogous case. The burden of the responsibility cast upon the Government under these circumstances appears

to me to call for a motion on their part expressive of their sense of the duty of the House in relation to this particular Message. I therefore desire to ask honorable members to take into consideration the circumstances under which their decision is invited, and ask them also, in view of this unprecedented and never-to-be-repeated set of circumstances, to take another view than that which they might ordinarily feel called upon to accept with regard to this particular proposal. We have before us a Message relating to a measure that, according to the direction of the Constitution, should be passed within two years, and already more than 20 months out of the 24 have elapsed. This, of course, although a mandate from the people by whom the Constitution was virtually enacted, is one that it might, under certain circumstances, be impossible to comply with, but, at all events, it is one which it is our clear duty to see fulfilled if the conditions permit. Moreover, I am certain that no honorable members of this House would view without apprehension an unnecessary prolongation of the business uncertainty which prevails in all parts of the Commonwealth, and in all ranks of life. It is not simply the merchant and trader, but the producer and consumer who are affected. The country and town, the man in the field, and the man in the factory are alike interested in the earliest possible settlement of the long-debated schedule of duties included in the Bill to which this Message relates. Until that uncertainty is removed, the development of many enterprises must continue to be hampered, employment must be restricted, and financial operations checked, and this at a time when, if possible, we should desire the purse-strings of investors to be generally unloosed. The best present encouragement that honorable members on both sides of this House can give to the commerce and production of the country will be by promoting the speedy passing of the Customs Tariff Bill. This has practically ceased to be a fiscal issue. The Tariff was never one upon which an appeal could be made to protectionists or free-traders, considered apart. It was, even as introduced to this House, no scientific measure of Australian protection—it could not be so—it fell far short of the opinions and convictions of protectionists like myself who have never been reckoned

among the extreme advocates of that doctrine. It could not be made a federal Tariff in the strict sense of the term, because of the restrictions imposed upon us at every turn by the bookkeeping and other financial sections of the Constitution. It could be at best what it was, not even a federal Tariff, but a confederate Tariff—a Tariff which sought to reconcile and conserve the interests of six separate States, and did so by the sacrifice in a considerable measure of interests in each State, and, at the same time, by forfeiting the character it might otherwise have acquired of a consistent protectionist measure. It was a Tariff about which party enthusiasm was always impossible, but it was a thorough and honest attempt to so shape the imposition of customs duties upon imports and the excise duties in this country as to maintain existing industries, and to conserve the financial interests of the States. However far it may have fallen short, these were its original aims, and these it endeavoured to attain. It has been conspicuously shorn of some of those features during its passage through this Chamber, and is not now a Tariff in which the separate interests of the States are distinctly considered. In fact, framed as it was to meet extraordinary circumstances—a condition of affairs that was passing away—the treasuries of the States had to be studied rather than the whole people whose interests can not be absolutely blended until a future date. Shaped under all these difficulties, and again remoulded in its passage through this House, it has become a Tariff, which, I venture to say, although pressed upon the attention of honorable members of this House and of the country, cannot be so pressed by any particular party in it, but is so pressed because of the overwhelming necessity of putting an end to a long period of uncertainty. We must now give the country the system of customs and excise duties under which our industries are in future to be carried on. I, therefore, appeal to honorable members, without distinction of party and in the interests of the people of the whole of the Commonwealth, to exhibit, in the critical position we have now reached, that patience which is absolutely called for, if we are to secure the passage of this measure within any reasonable period. I have made these remarks, which are a mere repetition of the opinion entertained by

Mr. Deakin.

every honorable member, simply because I now wish to qualify them by saying that a question may arise which is even more important. It is quite possible that the contingencies of the present situation may be allowed to arouse issues of profound and far-reaching significance—issues which, although in the first instance they affect only the relations between one body of representatives of the people and another body of representatives, may, in their direct and indirect influences together prove of paramount importance in some far distant future. On some nearer occasion other issues may arise, to be determined in part, perhaps, by the precedent which we now lay down. No matter how we may seek to avoid strife, no matter how anxious we may be to pass by the “sleeping lions” of the Constitution, it is not possible to ignore the fact that even in connexion with this message they may be very easily awakened. You, sir, in your ruling in a general manner have called attention to the danger. You have pointed to the special conditions which now obtain, and so far as I followed your ruling have found as much reason—if not more—for the attitude you have taken under the particular circumstances in which this message reaches you, as in the nature of the message itself. You were careful to point out that we are at present without those joint standing orders which should be arrived at by common agreement, and should determine the manner in which another place and ourselves should exchange proposals, or impart our views to each other. Evidently it is because we find ourselves without the guidance which those standing orders would afford, that the question is thrown upon the deliberation of this Chamber. Members are now faced with the danger of the possible intrusion into a commercial and industrial issue of constitutional questions, affecting the rights of the two Chambers, and through them the whole body of the electors—questions whose solution will assist to give form and colour to our institutions. They are the natural growth of our Constitution, in which their germs are found, often in extremely general language. That generality was necessary in any Constitution. An instrument of government could not be drawn with that technical particularity which would enable it in advance to provide for every possible emergency. It necessarily sketches outlines rather than fills in details, and

presents to us a frame into which the people require to breathe the breath of life. It is for the two Houses of Parliament representing them to give gradually to their conception the contour and character which will enable each to attain the full measure of its individuality. That is a task in which we are called upon to take part to-day. Very serious and very grave are the issues attendant upon it. Yet I think that honorable members, without distinction, would deplore any occasion which compelled us to introduce into the arena of controversy in which we have been engaged, and the fruits of which we see in the Customs Tariff Bill, so far as it has been mutually agreed to, a new set of motives entirely different in origin and in aim, which would, if permitted their free play in this connexion, divert, perhaps, the whole course of what would otherwise be the natural evolution of the measure we have had so long under consideration. It is under these circumstances that the Government submit to the House that, if by any action of ours it is possible to separate these two sets of interests one from the other, to prevent constitutional principles from being considered in the light of fiscal attachments, and decisions upon the practical proposals of the Tariff—from being diverted by constitutional considerations out of the natural path of their orderly sequence, we should not hesitate to take it. Obviously, it is to the advantage both of those who desire to see a settlement arrived at upon this measure of infinite detail, which we have debated for nearly twelve months, and of those who realize the importance of the seed now to be sown in the shape of constitutional precedent, to keep the two matters as far as possible separate from each other, and to deal with each without allowing it to receive its colour and direction from the other.

Mr. McCAY.—That is impossible.

Mr. DEAKIN. — One honorable and learned member tells me, by interjection, that it is impossible. The Government believe it to be possible, and the proposal which I have to submit is one which, it appears to me, will amply safeguard the constitutional rights of this Chamber by removing them altogether from the area of controversy, concentrating our attention upon the question upon which we have been so long engaged, and isolating it from every other disturbing influence. The

motion which I have the honour to submit, is as follows :—

That, having regard to the fact that the public welfare demands the early enactment of a Federal Tariff, and, pending the adoption of joint standing orders, this House refrains from the determination of its constitutional rights or obligations in respect to this message, and resolves to receive and consider it forthwith.

At this time the House has a warrant for declining to determine its constitutional rights and privileges which no subsequent House can ever possess. You, sir, have already called attention to an ambiguity which occurs in the fourth paragraph of section 53 of the Constitution, and have pointed out that the precise interpretation of that section should, if possible, be arrived at by both Chambers, and embodied in their joint standing orders. If that course were followed a possible danger to all future measures of this character might be removed, the land marks would be fixed, the territory of each House would be determined, and we should at once know of any encroachment or invasion of our rights. In this Parliament we have an excellent warrant for declining at the present moment even to enter upon the determination of our constitutional rights and obligations so long as we are satisfied with making it clear that we are dealing to-day under circumstances of peculiar urgency with a special measure—the Customs Tariff Bill—that we propose to deal with it upon its merits, in such a fashion as not to prejudice our own rights, and not to assail the rights of the other branch of the Legislature. We ask that the two issues, instead of being confused, shall be kept separate—the Tariff for immediate treatment, whilst the consideration of the question of constitutional procedure, viewed in the light of section 53 and the four following sub-sections, should be relegated to a time when that question alone need occupy our attention, so that it may be determined absolutely upon its merits. The Tariff can now be dealt with upon its merits.

Mr. WATSON.—We shall never get an opportunity which is free from Tariff disputes.

Mr. DEAKIN.—So soon as we have adopted permanent standing orders we shall have an opportunity of approaching the other Chamber as to joint standing orders.

Mr. McCAY.—But when the trouble arises we shall have to interpret them.

Mr. DEAKIN.—When we have obtained joint standing orders, of course we shall have to interpret them. At the same time, I believe they can be so drafted as to remove the ambiguities which at present attach to section 53 of the Constitution and to make it perfectly clear to both Chambers exactly what their rights are. Of course those orders will be subject to the Constitution. All that the standing orders can do will be to fill in the details which the Constitution has omitted, to follow its general lines, and, without any breach of its provisions, to supply the winding line which will mark the delimitation of our respective boundaries.

Mr. CROUCH.—Will this form part of the Message to the Senate?

Mr. DEAKIN.—Not necessarily. It is, however, necessary to debate it before we enter upon a consideration of that Message.

Mr. CROUCH.—I think that it will be requisite to include this motion in the Message.

Mr. DEAKIN.—I beg to differ from the honorable and learned member. But what form the Message should take, if any, apart from its ordinary formal contents, is a question for after consideration. The issue now before us is whether this Message should be taken into consideration at all. The Government submit that it ought to be. If it be taken into consideration, the course proposed can be followed without any trespass upon the rights and privileges of the other branch of the Legislature, and without any loss or peril to our own.

Mr. WILKS.—The other Chamber has us in the toils.

Mr. DEAKIN.—It has us in the toils no more than one Chamber will always have the other under its control so far as the other presses upon it a measure which in its eyes is of paramount importance.

Mr. GLYNN.—It was merely an assertion of our power to receive it.

Mr. DEAKIN.—It is merely an assertion of our power to receive it, and of our power to put aside for a time the complex issues which are necessarily involved if we commence to consider the constitutional question before we have joint standing orders or permanent standing orders of our own, and at a moment when it will be more difficult than perhaps under almost any other circumstances for this House to give its undivided attention to the particular propositions which are suddenly submitted to it. How is it possible when

our minds are full of the almost infinite details of this Tariff, or still occupied with the conclusions to which they in their present shape have led, for us to consider any Tariff issues apart from our constitutional leanings, or our constitutional leanings apart from the Tariff issues? This is not like an ordinary session of the Federal Parliament. This being the first session, it is under the circumstances no reproach to us that we find ourselves in a condition of unpreparedness to deal with this new difficulty.

Mr. HIGGINS.—The first step is the most important.

Mr. DEAKIN.—The first step may be the most important, but the first step is not proposed to be taken along the constitutional road; that is to be left clear for future action.

Mr. A. McLEAN.—Does the honorable gentleman think that we can retrace our steps if we take an unconstitutional step now?

Mr. DEAKIN.—I do not think that the House, by acting as we now propose, will place or should place any fetters on its future action. The course open to us to-day is to reject this message if we entirely disapprove of it. That course will be open to us at every future occasion, no matter under what circumstances messages may be sent down.

Mr. ISAACS.—That could be said of any amendment.

Mr. DEAKIN.—That could be said of any amendment. Nothing can take that power from us. That is, so to speak, the power behind the Throne which enables us, in this instance, to deal with the Tariff without forfeiting any jot or tittle of our constitutional prerogative. We shall be free in any case to reverse our action at another time, but, as a matter of fact, we are taking precautions in order that it may not be necessary to retrace our steps, but that at any future time, under any circumstances, this exact situation cannot be repeated. There are many other grounds than those which I have urged, on which this proposal might reasonably be submitted. What we have to recollect, and what I think we shall not forget, is that in dealing with the Senate under the Commonwealth we are by no means dealing with an ordinary Upper House of the Australian States. We must remember that we are dealing with men, who, like ourselves, are directly chosen by the people.

Mr. WATSON.—By a section of the people.

Mr. DEAKIN.—By the whole people, although they vote for the Senate in different groupings, which render it possible that at times a majority may represent a minority of electors. I do not know, however, that this argument will be urged in the present instance. One other exceptional condition has been pointed out to me to-day by the honorable member for Darling Downs, namely, that this Senate was contemporaneous with ourselves—that it sprang from the people as a whole at the same time as this Chamber, when the minds of the electors were presumably agitated by the same issues and governed by the same principles.

Mr. WATSON.—That is a dangerous admission from the Government.

Mr. DEAKIN.—Not in the least. An admission of fact cannot add to or detract from the argument. The Senate to-day is in the same position, and no better, than the Senate will always be in after a double dissolution, at which particular questions have been submitted and the whole community has simultaneously returned members to the two Chambers. An ordinary Senate may not occupy so strong a position when only half its members have been recently elected and the other half have not seen their constituencies for five or six years. There is a difference, and a notable difference, between a Senate created at the same time with ourselves and a Senate, as it may be in the future, not so created, when dealing with a particular issue before it. So it seems to me that although this condition may be repeated after a double dissolution, the present position can never be repeated so far as Australia is concerned, for the very simple reason that there can never be again a first session, and there never can be again, I hope, a time when we shall find ourselves without either standing orders or joint standing orders.

Mr. MAHON.—And the honorable gentleman hopes there will never again be a session of eighteen months.

Mr. DEAKIN.—It is to be hoped there will never again be a session of eighteen months, or a Tariff which requires consideration for twelve months. We have now laid, it is hoped, a foundation of some kind upon which in future Parliaments may be able to build without that utter exhaustion on the

part of those concerned which has necessarily attended the giants' work required to be undertaken during the last eighteen months.

Mr. McCAY. — And now the proposal is to put a keg of dynamite in the basement.

Mr. DEAKIN.—We are proposing to put it at such a great distance that if it ever explodes it will affect neither party to the transaction. Of course the process in which we are now engaged is not to be continued *ad infinitum*. We must admit that each interchange of messages in relation to this measure has marked a considerable step in advance. I had hoped, and am disappointed at the frustration of the hope, that after another Chamber had received the concessions already made to its requests by this House, they have not been satisfied that under the circumstances its dignity and authority had been sufficiently manifested and acknowledged, and that no further steps were necessary. It is not my task or desire to review the proceedings of another place, more especially as by a curious anticipation I criticised very much this situation in the discussion in the Adelaide Convention on the very clause which is now section 53. Before the event other members and myself indicated what ought to be the influential and important part which the Senate, under the Constitution, ought to play in moulding the destinies of Australia. It is clear, however, that if we reduce the number of matters to which public attention is called, and now proceed to give the proposals in this message a full consideration on their merits, quite apart from any constitutional issues, we shall be able to make at once a final settlement of this vexed question. That will prove to the country the earnestness of the members of this Chamber to avoid any unnecessary cause of dispute, and show the profoundest anxiety on their part to pay due respect to the wishes of the important body which represents the people of the whole of the States of Australia. By a further sacrifice of our opinions, we can present so reasonable a Tariff that the public opinion of Australia will support us, and indicate to the Senate the wisdom of accepting it with an acknowledgment of the public spirit that has prompted us. My honorable colleague, if this motion be assented to, will indicate the particular details of the Government proposal. I shall only say in advance that they represent an honest attempt to

reach the end of the long road we have been travelling—a substantial step towards final agreement. They are based on a careful consideration of the circumstances of each industry, and of the manner in which each has been dealt with in this Chamber. We shall then be afforded a foothold without which any position we might attempt to occupy would indeed be feeble—we shall have a hold upon the judgment of the body of thoughtful electors outside, who from one end of the continent to the other are watching the issue of this measure with the utmost anxiety. When those electors see that their representatives in this Chamber are prepared, in order to put an end to the distraction which has so long existed in industrial circles, to make one more series of further concessions, they will realize that we here have done all they could desire, and that it rests with the representatives in another Chamber to meet us in the same spirit, and put an end to the long debates which have left us jaded at the end of fourteen months of sitting. In point of fact what we offer, if the House sees its way to accept it, is, we believe, the final solution of this Tariff problem.

Mr. GLYNN.—Does the Acting Prime Minister anticipate any opposition to the motion before the House?

Mr. DEAKIN.—I do. From the interjections, and from my knowledge of the past, and, I believe, present opinions of honorable members of this House, I have reason to believe that members will be found —

AN HONORABLE MEMBER.—Afraid to listen to the request.

Mr. DEAKIN.—No, not afraid to listen to the request; but honorable members are alarmed lest we commit ourselves to a similar course of procedure under all circumstances in the future, and thus tie our hands, which at present are free. I myself have entertained opinions very largely of the same nature as long as I have been in political life, and am not aware that I am in any respect departing from them. It appears to me that when we undertook the combination of the federal form of government, with responsible government we set before Australia, a great problem, involving many minor problems, which have never yet been solved in any other country as we shall require to solve them. We have in this case, as in

many others, to undertake the pioneering work of cutting roads for ourselves through untravelled country; we have to make our own precedents, and develop our own principles. That is the burden cast on us by the Constitution, and I for one realize the immense importance which would attach to mistaken steps in any direction. Therefore I neither fear nor deprecate criticism from any quarter, which may be designed to show that we are following an erroneous course. But for my own part, after consideration, more anxious, perhaps, than that I have given to any other problem—at all events since I have been clothed with official responsibility—and after an anxiety for the last few weeks which I would most willingly have escaped—after recalling principles to which I have been pledged, the career I have followed, and the party I have been associated with, I have come to the clear and unmistakable conclusion that our duty in this instance is to act as now proposed upon a broad view of the situation. Possibilities of danger may be adduced, but there are greater dangers before us in the ship-wreck of this all-important measure. After all, there appears to be much alarm. The course which I have asked the House to follow is in harmony with the basic principles of representative and responsible government, as we have known them hitherto, adapted to the conditions of the Federation which we ourselves have brought about, and for which we must take full responsibility. Having accepted the federal form of Government, it is not for us to endeavour, without a mandate from the electors, to secure unification by negotiations between the two Chambers. If it is ever sought to reduce the Senate to the position occupied by the Upper Houses of the Parliaments of the States, it will be necessary for the people to signify that they are in favour of such a change in the Constitution. In the meantime, we have to deal with a second Chamber, such as has hitherto been unknown in Australia. We have before us a crisis as great as has ever confronted the Parliament of any State, seeing that our decision on the Tariff affects the whole Commonwealth. Under these circumstances, I commend the motion to the consideration of honorable members, believing that by adopting it we can gain peace with honour, and that if we refuse it the future alone can show what is in store for us.

Sir WILLIAM McMILLAN (Wentworth).—Honorable members will readily understand that it is with great diffidence that I address them upon a question of constitutional importance which is probably greater than any other question with which we could be called upon to deal. The members of the Opposition, for whom I am now speaking, have not brought about the present crisis, because if the fair proposals of the Senate had been agreed to it would not have arisen at all. But, as the question has been raised, there must be, I fear, some discussion in regard to the relative positions of the two Chambers. No doubt all honorable members of this House are anxious to maintain its rights and dignity. The question with which we are now dealing will be a very difficult question for many years to come. Section 53 of the Constitution, to which reference has been made, was the result of a compromise. An attempt was made to refine into language a position which no one could really understand, and, like all compromises, it has created a crop of difficulties which might have been avoided by manfully facing the situation. To my mind there is no doubt that the Constitution gives this Chamber powers in relation to financial measures superior to those possessed by the Senate. It provides, in the first place, that the Senate may not amend proposed laws imposing taxation. That is a very clear statement; but a little further on it is provided that the Senate may make suggestions — an altogether weaker position. Then come the words—

Except, as provided in this section, the Senate shall have equal power with the House of Representatives in respect of all proposed laws.

If in regard to every other matter the Senate is to have equal power with the House of Representatives, the inference is that it does not possess equal power in regard to Money Bills. The Senate is, in the first place, the States House, representing in its corporate unity the public opinion of the States *qua* States. But, besides being the States House, it is a second Chamber under a bicameral system of government, and it is more as a second Chamber that it has taken up the position which we are now engaged in discussing. But if it is clearly embedded in the Constitution that in financial matters this House shall exercise larger powers than those possessed by the Senate, we need not be afraid to listen to their representations, no matter

how often made, when by doing so we can prevent conflict between the two Chambers. Let us get away from legal quibbles if we can, and deal with the matter on business lines, and from the point of view of common sense. In regard to most of the financial measures which the Senate might criticise there would probably be only one or two specific points of difference. But in the consideration of a Tariff like that which has been passed by this House, there are hundreds of points of possible disagreement, affecting not merely matters of detail, but the whole policy of the Government. Therefore, in this matter we cannot take up the “stand and deliver” attitude which some honorable members would advocate. If we refuse to receive the Senate’s Message, we shall precipitate the crisis which we desire to avoid. The Senate would tell us that they represent the same people that we represent, being elected upon the same franchise, and that if we will not agree to some business-like arrangement for dealing with this matter, we must take the responsibility of forcing the difference to the bitter end.

Mr. ISAACS.—Suppose the Constitution justifies us?

Sir WILLIAM McMILLAN.—I do not think that it does. In the first place, no Constitution would deny to two Chambers like ours the right to make sensible arrangements for discussing and arriving at a conclusion in regard to the various matters which have to come before them. There are at present in existence no standing orders which meet the case, but Mr. Speaker in his ruling practically admitted that we could create standing orders which would provide for the course of procedure which it is now proposed that we should adopt. Is not the attitude that some honorable members would like to see assumed in regard to this matter an attitude suggestive rather of captious weakness than of completely-felt power? The position of this House under the Constitution is so strong that we need not cavil at any arrangement which will prevent a dead-lock between the two Chambers.

Mr. RONALD.—The Constitution makes provision for dead-locks.

Sir WILLIAM McMILLAN.—Exactly; but reference to the debates of the Convention will show that such a thing as an absolute dead-lock was looked upon as impossible. Many of the members of the Convention argued that there should be no

mechanical arrangement for the prevention of dead-locks. They said, "Will not the members of the Commonwealth Parliament be people like ourselves? Will they not be persons possessing common sense, patriotism, and practical business ability, such as has characterized the members of the Parliaments of all British communities?" And although, in deference to the wishes of the majority, a mechanical arrangement for dealing with dead-locks was agreed to, it was felt that to carry any difference between the Chambers to the bitter end would be alien to the characteristics of our people. I rather deprecate the introduction of the Tariff into this discussion. It must be remembered that this is the first Parliament of the Commonwealth, and that there has been a great difference of opinion as to whether the actions of the Government in regard to the Tariff have been consistent with their hustings pledges. The Senate, as a second Chamber, is the guardian of the people against any renegade action on the part of the Government.

Mr. WATSON.—Not so much as we are.

Mr. McCAY.—Does the honorable member for Wentworth find that provision in the Constitution?

Sir WILLIAM McMILLAN.—It is not in the Constitution, but it must be remembered that a Chamber elected upon a popular suffrage cannot be dealt with in the same way as an ordinary Legislative Council. I think that the Government have, upon the whole, taken the right course, though there is an element of weakness in what they propose—an evidence of desire to avoid the main issue. I do not fear that issue, and I think it would have been better if the Government had taken a common-sense view of the situation, and had said—"We are dealing now with financial legislation of a special kind, legislation which it took this Chamber seven or eight months to consider, and upon which the Senate has spent a very long time, and, therefore, we propose to recognise the right of the Senate to make requests, and will again consider every item which they have re-submitted to us. The Government to a certain extent compromised the House by agreeing to consider the requests made by the other Chamber."

Mr. DEAKIN.—We are compelled to do so by section 53 of the Constitution.

Sir WILLIAM McMILLAN.—No doubt, but the Government did not take up the position urged upon them by some

honorable members of absolutely refusing to consider the requests of the Senate.

Mr. CROUCH.—Who argued that that course should be taken?

Sir WILLIAM McMILLAN.—One section of honorable members urged, not that the requests should not be considered formally, but that the Government should not agree to any alterations whatever beyond mere necessary details. These honorable members thought that the constitutional stand should be made then, and the press has time after time denied the right of the Senate to deal with the Tariff in detail. We, however, have recognised their right to do so. Considering that we are within such a short view of a final result, it would be suicidal on our part, on a mere technical quibble, to refuse to deal with the requests of the Senate in a business-like manner. I have made these remarks with a certain amount of diffidence, and I have purposely avoided any refined arguments with regard to the constitutional question. That may be a matter for decision in the future, if the House is called upon to assert its position.

Mr. CROUCH.—The honorable member says that we have no position to assert—that the Government have compromised us.

Sir WILLIAM McMILLAN.—I do not quite follow the honorable and learned member. I do not decline at this moment to face the whole issue of any future trouble between the two Houses. I think that the spirit which has dominated this House and the Senate up to the present has been everything that the best-wishers of the Commonwealth could desire. We have had one or two slight hitches, which have disappeared under mutual courtesy and consideration, and during our sittings, extending over fourteen or fifteen months, the relations between the two Houses have been of the most cordial and amicable character. Do not let us disturb this happy condition of affairs; do not let us raise an unnecessary bogey. We are dealing with a question of a practical character, affecting the whole of the industrial interests of Australia. Honorable members on this side of the House have not brought about the present crisis. It has arisen because honorable members opposite—very properly, no doubt, from their point of view—refused to consent to what we considered to be very reasonable requests on the part of the Senate. Let us again take this message into

consideration, and, further, let us exhaust every possible effort that we can——

Mr. WATSON.—During the next few years.

Mr. McCAY.—To what other efforts does the honorable member refer? Supposing that we agree to consider the requests, and the Senate still differs from us, are we to be called upon to accede to the requests when they are again preferred?

Sir WILLIAM McMILLAN.—I am not going to imagine such a contingency. Let us exhaust every reasonable effort—if honorable members prefer it, I would limit the period to within the next few days—to arrive at a reasonable conclusion. If we were dealing with this matter in a mere party spirit, we might desire to bring about a political crisis, but we have no wish of that kind. We do not approve of the Tariff—it is not our Tariff—and we shall probably not take any part in the discussion that may follow if the motion is carried. The matter lies now between honorable members opposite and the Senate. If the Government has any further compromise to make, we shall assist them in the event of the vote being challenged, and we desire to do everything we possibly can to avoid the continuance of the present period of unrest throughout Australia. We can say no more. That is a fair and reasonable attitude to assume, and I trust that honorable members generally will take that view of the position.

Mr. ISAACS (Indi).—It is a matter for regret that at this early period of our Commonwealth history we should be called upon to face a position that presents many difficulties from whichever stand-point we view it. We did not need the eloquent and powerful speech of the honorable the Acting Prime Minister to convince us of that fact. I fully recognise the difficulties with which the Acting Prime Minister has had to contend in dealing with this unprecedented question—unprecedented as far as the Federal Constitution is concerned—and I am sure that honorable members will be unanimous in thoroughly appreciating the way in which he has grappled with them. We all feel confident that he has endeavoured to do what he thinks is the honest best for Australia. I am quite in harmony with the Minister in many of the observations he has made. I thoroughly indorse all that he has said with regard to the importance

of having the Tariff issue settled at as early a date as possible. We all recognise the existence of the feeling of unrest and uncertainty to which he has referred, and know that that feeling is detrimental to trade, that it affects all branches of commerce, and that its influence is not confined to those merchants, whether manufacturers or importers, who are engaged in extensive businesses, but that it reaches down to the humblest worker who moulds the commodities they have to sell. Whilst acknowledging the importance of this question, however, I cannot, in the first place, persuade myself that the Minister is right in regarding this as an unprecedented circumstance, or one that is not likely to occur again. It is certain to occur whenever we have a Tariff question before us. The difficulty arising from unrest in connexion with the Tariff settlement is one that we have been called upon to face, as have other countries, and one with which we shall be required to cope again. There are, in some respects, peculiar circumstances attendant upon this epoch, such as the State Tariffs, which are still in operation. We have gone on with these Tariffs for a considerable time, and possess means for temporarily settling the Tariff question in this Parliament, without embarking upon a precedent which is possibly fraught with serious consequences to the future of Australia. The motion as framed seeks to guard, as much as such a motion could guard, against its being treated as a precedent. But there is something which speaks stronger than words, and that is action. We cannot, as it seems to me, take a step which has the undoubted and unqualified effect of recognising what I believe to be a serious breach of the Constitution, without establishing a precedent. I am not taking any mere technical point, and I am not raising what may be fairly called a quibble, unless the questions upon which the struggles of popular Chambers throughout Australia have been based can be so called, and unless the struggles with which we have been made familiar by history, embarked in by the House of Commons on behalf of the people from time to time, can also be called quibbles. Unless the bases of all these historic struggles were quibbles, it is not justifiable to attach that appellation to our proceedings. However anxious the Government may be to avoid a collision with the other Chamber, and at the same time to do what they

think is expedient under our commercial circumstances at the moment, it must be thoroughly felt that the motion is of great importance and significance, and that its possible consequences will reach far down into our history. We are asked to take a step which I feel may be regarded as the great renunciation by this House of the rights, powers, and privileges, which have been confided to it on behalf of the nation. I recognise that it is easy to receive this message, and to deal with it. I recognise that it is easy to look at the matter from the mere stand-point of settling the Tariff, and terminating what may be regarded as a momentary unpleasantness. I believe that, although it is not so intended by the Government, the motion presents an ignobly easy way of responding to what we must recognise as a direct challenge. It is always easy to go down hill, especially when you are pushed, but in that sense, and in that only, do I regard the course proposed by the Government as an easy one to follow. It would not be easy for any House of Representatives in the future, more courageous than ourselves, to retrace the steps now proposed to be taken, to recover lost ground, and work its way up the hill to the position in which we stand at this moment. For these reasons, and for others which I shall give, and which I regard as overwhelming, I think this motion ought to be rejected. There were two ways of challenging the Message of the Senate. One was adopted by the honorable member for Melbourne Ports, and I feel that you, Mr. Speaker, have taken the only attitude that is commensurate with the importance of this occasion. Even if you had felt yourself in a position to give a technical ruling adverse to the reception of the Senate's Message, by reason of the standing orders, or by reason of the non-existence of standing orders, we all feel that it would be too much to put upon the shoulders of any one member of this House, however exalted, the responsibility of deciding this question. It is a responsibility that we, ourselves, must bear—a responsibility which the people expect us to shoulder—and one which—whatever our views on the subject may be—we are all willing and anxious to sustain. Therefore, I think that the burden of deciding this all-important question rests upon the proper shoulders. To ask the House to refrain from acknowledging the

Mr. Isaacs.

constitutionality of the Message from the Senate is a serious step to take. Let me bring to the pointed attention of honorable members some of the terms of the requests by the other Chamber, because, to my mind, the word "request," in this Message, is only the word "amendment" spelt differently. I cannot persuade myself from any stand-point that a moment's doubt can be entertained that this Message is a direct assertion on the part of the Senate of the right to amend. When I draw honorable members' attention to the wording of the section they will, perhaps, perceive, if they do not already do so, what I wish to convey. There are words in this Message which raise, as distinctly and directly as the English language is capable of raising it, the one plain issue—"Has the Senate the right practically to amend such a measure as this?" An affirmative reply to that question carries with it the right to amend every Appropriation Bill and every taxation Bill in the future. The other Chamber has forwarded to us certain requests. Some of them we agreed to. We agreed to others in a modified form, and we rejected others. But I wish specially to invite the attention of honorable members to the text of the Message. It reads thus—

The Senate has agreed to the modifications made by the House of Representatives in certain requests of the Senate.

Where in the Constitution do we find anything which warrants that statement? The Senate has the power—as I will show presently—to regard any modifications of its requests which have been assented to by this House, as part of the Bill, and to say whether it will accept the Bill with those modifications or not. But where in the Constitution is power granted to the other Chamber to announce to us that it has agreed to our modifications? Then the Message proceeds—

The Senate again requests the House of Representatives to make the amendments as originally requested.

That brings me to the wording of section 53, and to a particular portion of it which, so far as I have been able to observe, has not obtained that recognition and attention which it deserves. The Message continues—

The Senate has agreed not to again request the House of Representatives to make the amendments originally requested by Requests Nos. 1, 2,

5, 10, 11, 12, 40, 51, 60, 61, 62, 63, 64, 72, 74, 80, 81, 82, 83, 84, 85, 88, 89 (as to part), and 92.

What is the meaning of that statement? Where in the Constitution is any provision which confers upon the Senate the right to say that it does not press its requests upon the House of Representatives to make certain amendments? In other words, this Message is one which is appropriate only to a Bill which the Senate has amended and returned to this Chamber, and to the amendments in which this House has not assented. If we alter the word "request" to the word "amend," this is the form of Message that is appropriate. Honorable members must see that, if they accept it, they are accepting, for this occasion, at all events—and though they may disavow it in what language they please—a Message asserting the right of amendment by the Senate. More than that, I wish to point out that, not only is the claim which I am now discussing as great as is that to amend certain Bills which the other Chamber has a right to amend, but it will, if acceded to by us, be construed into an admission that the Senate has power to do, by way of request, more than it can do by way of amendment. We shall thus be giving to the other Chamber in respect of Bills which are placed upon a higher plane by the Constitution a greater power than it possesses in respect of other measures which are treated as being of less importance, or as coming more properly within its purview. When we look at the Message we are compelled to ask ourselves—"What is the interpretation—the fair, honest, broad, and reasonable interpretation—of the Constitution in regard to this matter." I entirely agree with the Attorney-General that we should not regard the Constitution as embodying all the rules, regulations, and modes of procedure which are intended to guide this Legislative Assembly.

Mr. JOSEPH COOK.—Then why did the honorable and learned member appeal to its verbiage only a few moments ago?

Mr. ISAACS.—The honorable member, perhaps, did not hear what I said.

Mr. JOSEPH COOK.—Oh, yes, I did.

Mr. ISAACS.—Then he evidently does not understand it. I said that we should not regard the Constitution as containing all the rules which should guide us—

Mr. JOSEPH COOK.—Why then appeal to it?

Mr. ISAACS.—Is it necessary to answer that question? The smallest reflection on the part of the honorable member will convince him that it answers itself. I say that so far as the Constitution makes any express provision, it must be followed. But there is behind that Constitution—behind that fabric which has been constructed at the cost of great labour, great expenditure of energy, time, and assiduity—the whole bulk of British and Australian tradition relating to parliamentary government. What I mean is that we have first to look at the Constitution, but if we find anything in it which is inconsistent with what I may term the common law of parliamentary usage, precedent, and tradition we should be guided by that as well. For example, we find nothing in the Constitution regarding the prerogative of the Crown, the practice of Cabinet Government, the responsibility of the Ministry to one House; but it is there all the same. It is embodied in our practice, and the Constitution must be read in conjunction with that practice. That is what I mean when I say that we should not look solely at the bare words of the Constitution. Therefore, I agree with the Attorney-General that we should regard the Constitution to a large extent as the frame-work of what is to govern us. Behind it, and along with it, we must remember the "breath of the people," as he termed it, the practice that has guided us in the past, and which, I trust, will continue to guide us in the future. The section which is all-important in this connexion is section 53. Those who were honoured by being members of the Federal Convention will never forget the peril in which we stood upon one memorable occasion when that section was under consideration, and when the delegates from the smaller States fought for giving the Senate power to amend all Bills, whilst those representing the larger States opposed it, but were perfectly willing to concede the other Chamber the power to amend certain Bills as a fair compromise between the power of rejection only and the power of amendment. As a result, the compromise of 1891 was carried.

Mr. GLYNN.—The honorable and learned member is scarcely correct. He must recollect that five representatives of the smaller States enabled that provision to be carried.

Mr. ISAACS.—It was as the honorable and learned member reminds me, but the matter depended especially upon the patriotism of two members who subordinated their own opinions at the last moment, and thus saved the whole federal cause. At the time those two members were subjected to considerable obloquy in certain quarters, but to-day their action is regarded as patriotic in the highest degree. Remembering that, and remembering that the fight was upon the question of the wisdom of conferring upon the Senate the power of amendment as against the power of request only, I cannot refrain from asking myself what would have been the consequence if, at that juncture, the proposal to give the Senate the power of amendment had been carried.

Mr. MACDONALD-PATERSON.—Was that in 1891?

Mr. ISAACS.—The compromise of 1891 was then adopted, and now finds its place in the Constitution. That compromise gave to the Senate the power to request amendments when, under the Constitution, the Senate was not a body to be elected by the people, but by the Parliaments. We must also recollect that it was never intended to place the Senate upon the same platform as that occupied by the House of Representatives, which was elected by the people. In the Convention we had contemporary explanations of what the compromise of 1891 meant. I do not think that in all cases we are justified in quoting individual expressions of opinion by members of the Convention regarding the interpretation of this Constitution. I do not think that we ought to regard all the individual views of the then representatives of the States as to the meaning of the words which at present find their place in the Constitution as binding upon those States or upon the nation for all time. There were occasions when the leader of the Convention was plainly expressing his own views, whilst there were others when he was clearly representing the united sense of the body which was engaged in fashioning the Constitution. But I think it will be well to remind honorable members of what the leader of the Convention said upon this particular point in Adelaide, because it is necessary for those who object to the course which the Government propose to assign reasons for their action, so that they may be placed upon record for all time.

Mr. GLYNN.—Is the honorable and learned member not on very dangerous ground in

seeking to explain the Constitution by diverse opinions?

Mr. ISAACS.—I have explained my meaning. I am not on dangerous, but on the firmest ground, because I am going to show that the words of the Constitution, interpreted as they stand, are entirely consonant with and corroborated by the expression of opinion by the leader of the Convention at the time the provision was agreed upon. The date was 14th April, 1897, and the remarks are contained in the official report of the Adelaide Convention, at page 557. Sir Edmund Barton said—

Let us come to another argument that has been used with a good deal of effect by some members. We are told that this is a question of mere choice of words—that is to say, that the power of amending taxation is practically the same as the power to make suggestions. The question of responsibility rises again. If the second Chamber makes suggestions such as are enabled to be made in this colony (South Australia) under the Compact of 1857, which is not a matter of law, but a matter of agreement; if the second Chamber makes suggestions under an agreement of that sort, and if the suggestions are not adopted, that House must face the responsibility of deciding whether it will veto the Bill or not.

Mr. GLYNN.—In South Australia they do exactly what we are doing now. The requests are repeated and go backward and forward.

Mr. ISAACS.—That is to say, the House which makes the requests will not take the responsibility of rejecting the Bill. Sir Edmund Barton continued—

If the procedure is to be by way of amendment, and the amendments are disagreed with by the House of Representatives, and are still insisted upon by the Second Chamber, then it is upon the House of Representatives that the responsibility must rest of destroying its own measure.

That was repeated by Sir Edmund Barton at the Sydney Convention when he quoted a long passage, including the words I have read, and that shows he retained his opinion regarding the section. But almost at the end of the Melbourne Convention the present honorable and learned member for Northern Melbourne submitted an amendment of sub-clause (4), and the remarks made at the time are contained in the official report of the Melbourne Convention proceedings of 7th March, 1898, page 1,996. I draw attention to the words I am about to quote, because they seem to me highly important as showing no justification for the course now proposed.

Sir Edmund Barton, after having been asked a question by Mr. Higgins, said—

As I understand it, the proposal is that the Senate may, at any stage of the passage of a proposed law—

Honorable members will observe that it is a stage the Bill has reached. Sir Edmund Barton went on—

through the Senate, return the Bill to the House of Representatives with a message requesting the amendment, or omission, of any items or provisions therefrom.

Mr. KINGSTON.—As long as the Senate has possession of the Bill?

Sir EDMUND BARTON.—Yes, as long as the Bill is in the hands of the Senate. That means, I take it, a power not solely to send a Bill down at a stage at which the measure has, at the moment, arrived at; but that, if it arrives at a further stage in the Senate, there being in the meantime some settlement or no settlement in regard to the suggestion made, that the Senate would have power to make other suggestions.

It will be observed that there are two conditions—the Bill must arrive at a further stage in the Senate, and the requests must be other requests. Then Sir Edmund Barton went on to guard himself—

Whether it would have power to repeat the same suggestion, is a matter I have not considered, but it seems to me that there is nothing in this clause to restrict the Senate, after making a suggestion at one stage of the Bill, from making another suggestion at another stage of the measure, as long as the Bill is in the course of its passage through the Senate.

There are three points to be observed. The stage that is referred to is the stage of the Bill. After a request has been made by the other Chamber, and dealt with by the House of Representatives, the Senate, according to that opinion, has power at any further stage of the Bill to make any further request. The honorable gentleman offered no opinion as to whether the same request could be made at any stage, but he was clear in what I have read to honorable members. There is all the difference in the world between the present attempted procedure and that laid down by Sir Edmund Barton. In the procedure laid down by that gentleman, finality is assured, and the procedure is entirely in consonance with the words of the section, whereas the procedure now proposed, will, it is admitted, leave the matter without finality.

Mr. POYNTER.—Sir Edmund Barton expressed no opinion upon that phase.

Mr. ISAACS.—He did not express an opinion on that point, but the opinion he did express seems to be very significant as to

the meaning of the section. I quote the passage principally to dissipate any idea that may have arisen in the minds of some honorable members that it affords any warrant for accepting the motion. At best, honorable members who are favorable to the motion must admit that the quotation gives no warrant—that it is negative. But on the other hand, it seems to me that while Sir Edmund Barton used the language at Adelaide, and repeated it at Sydney, he at the last moment would not take it upon himself to say that the Senate has power to repeat the same request at any period, nor would he take it upon himself to say that the Senate could make fresh requests at the same stage. That is very important for honorable members to recollect. When I direct the attention of honorable members to the words of the section, they will see that no such interpretation as that now sought ought to be applied.

Mr. L. E. GROOM.—Does the honorable and learned member contend that the opinion of Sir Edmund Barton at the Convention is binding in the interpretation of the Constitution?

Mr. ISAACS.—No, I should not contend that; but this passage has been used by those who entertain a contrary opinion to myself as warranting the reception of this message; and, I want to show, as best I can, that it offers no such authority.

Mr. MCCAY.—What is the practice in South Australia?

Mr. GLYNN.—Exactly what is now proposed.

Mr. ISAACS.—I may as well come to the section at once, and show how important its words are. The section, after making the important provision to which the honorable member for Wentworth has alluded, sets forth that, except as provided in the section, the powers of the Senate shall be equal with the powers of the House of Representatives in regard to Bills. The section proceeds to make very important exceptions, first as to the power of origination, which, in regard to appropriation or taxation Bills, is exclusively confined to the House of Representatives. Then comes the power of amendment, and the Senate is prohibited from amending Bills imposing taxation, or ordinary appropriation Bills. Then there is a power which is less, and intended to be less, than that of amendment—namely, the power of request.

If that power were not in the Constitution, the Senate would have no power regarding such Bills but that of agreement or rejection. I should have referred to an intervening paragraph of the section, which ought to have the greatest weight with honorable members in coming to a conclusion. That section provides that the Senate may not amend any proposed law so as to "increase any proposed charge or burden" on the people. That means that even in regard to Bills which the Senate may amend—even in regard to what I may call Special Appropriation Bills, or any other Bills, they may amend—they have power to diminish, but no power to increase, a charge on the people, either by way of amendment or request. The power of request is not an exercise of any power to alter a Bill in any respect. The Senate may request an amendment, and, in the particular Bill under discussion, they have requested that burdens or charges on the people may be increased. If now we are going to permit the Senate to insist on these requests being acceded to, they will, in regard to certain Money Bills, which are supposed to be further removed from their consideration than are other Bills, have a power greater than they have in regard to Money Bills which they may amend. I press this point on the attention of honorable members because it seems to me to be entirely decisive that if the Senate are to be permitted to send down requests to this House to amend the Tariff Bill or an ordinary appropriation Bill by adding to the expenditure of the people, and if this House sends the Bill back, and a game of battle-door and shuttlecock goes on, the Senate not only shirk the responsibility, which it is admitted on all hands they ought to take, of vetoing or accepting a Bill, but they virtually and practically exercise the power of amendment in a higher degree than they can in regard to a Special Appropriation Bill, which the Constitution has placed more thoroughly within their functions.

Mr. GLYNN.—A repeated request may be regarded as rejecting or shelving a Bill.

Mr. ISAACS.—Repeating a request as often as they choose, and refusing to deal with the measure, is equivalent to shirking responsibility. It is a refusal to pass it, and a request becomes a demand when it is repeated.

Mr. GLYNN.—The repetition of a request does not limit the powers of this House.

Mr. ISAACS.—Of course not. The honorable and learned member is accurate. But who has spoken of the powers of this House being limited? We have power to refuse a request, as we have power to reject an amendment. We are not now talking of the right of this House to say "no" to anything proposed by the Senate; we are talking of the right of the Senate to demand what the Constitution declares it shall only request.

Mr. WINTER COOKE.—Then why did not the framers of the Constitution provide that a request should be made only once?

Mr. ISAACS.—The Constitution provides that the Senate may make a request at any stage of its consideration of a measure. We have discussed the provisions of the Constitution in regard to the Senate, but have honorable members had their attention directed to the all important and terribly significant words which relate to the House of Representatives? Does the Constitution stop short at providing that the Senate, in dealing with Money Bills, may make requests instead of amendments? No. The words used in regard to the powers of the House of Representatives are stronger, wider, and more significant than appear in regard to the powers of the Senate, or than can be found in the Constitution of any other Legislature. When a request comes to us from the Senate—

The House of Representatives may, if it thinks fit, make any of such omissions or amendments, with or without modifications. From a legal point of view there is no more force in that provision, by reason of the use of the words—"if it thinks fit" than there would be if they were absent. But as a beacon, indicating with illuminating light the meaning of the section, they are all important. Those words were in the Bill framed by the Convention of 1891. They were part of a compromise. They were also in the Bill originally framed by the Convention of 1897-8. The drafting committee of the Convention struck them out, and, later on, I moved to restore them. At page 2450 of the official report of the debates of the Convention during its Melbourne session, honorable members will find that, after pointing out that from a mere legal standpoint, the discretion of the House of Representatives would be unaffected by the words, I added—

I do not think that there would be any legal difference, so far as I can see at the moment,

if they were omitted, but they were put in with a very distinct object, and I am sure the presence of the words had weight with some honorable members, as showing that to grant the power of suggestion was not as great as to grant the power of amendment. I think it will be better to leave in the words.

The leader of the Convention, the Prime Minister, in reply to my remarks and the observations of other honorable members, said—

As to my honorable friend's suggestion, there is no real difference in the meaning of the Bill, whether the words "if it thinks fit" are or are not inserted. Both the old form and the new form make it clear that the House of Representatives may do what it likes with suggested omissions or suggested amendments—that it can take them or reject them, or modify them and take them. I have no objection to the insertion of the words "if it thinks fit," if my honorable friend thinks it really is an advisable thing to do.

Mr. ISAACS.—I think it is.

Mr. BARTON.—If my honorable friend thinks it is a politic thing to do, and he moves an amendment, I will accept it.

The representatives of the smaller States were jealous of any mark in the Constitution of the superiority of the House of Representatives, and I, therefore, to prevent any possible misapprehension, thought that it was politic to move the reinsertion of the words, and they were reinserted. Those words are all-important in this connexion, and I will show honorable members why. Let me indicate as best I may what the whole meaning of the provision is. It means that in certain Bills which are intimately connected with the constitutional principle, and essential to the true conduct of responsible government, you cannot have a divided care; you cannot have divided opinions on the details of a measure, although you properly allow the second Chamber to say "Yes" or "No" to the measure as a whole. The Senate must take the responsibility of accepting or rejecting such measures as a whole. As was pointed out in a State Parliament by a distinguished member of the Convention, the object of the provision is this: Whereas, under the States Constitutions, second chambers have had to take the responsibility of the rejection or acceptance of financial measures without being able to avail themselves of any recognised formal method of acquainting the public with the reasons of their action, a means is here given to communicate with the other House, and to ask for an expression of its real, deliberate will in regard to any provision

which does not commend itself to the Senate. When the Senate, at any stage in its consideration of a measure, communicates its difficulties to the House of Representatives, and asks us whether we really intend to adhere to our proposals, we may either say, "Yes," absolutely, or agree to amend or modify those proposals. The measure must then go back to the Senate, and their power of suggestion in regard to it is exhausted, so far as that stage is concerned. Repetition of the request converts it into a demand. If, at a future stage, other difficulties present themselves, it is quite possible, though I pronounce no definite opinion upon the subject, that it may be intended by the Constitution that the Senate shall have another opportunity to formulate new requests for further light as to the will of this House; but it has no right to again challenge the decision of this House in respect to matters in regard to which it has made requests, and has received a definite answer

Mr. GLYNN.—The only precedent we have is the South Australian precedent.

Mr. ISAACS.—That precedent was created under a Constitution which places both Houses on the same footing, except with regard to the power of originating appropriation and taxing Bills.

Mr. V. L. SOLOMON.—What does the honorable and learned member understand by the words "stage of a Bill," as applied to the consideration of a measure by the Senate?

Mr. ISAACS.—The meaning of the words is thoroughly understood in the parliamentary procedure of both England and America.

Mr. V. L. SOLOMON.—I know what is understood in the procedure of the State Parliaments. I ask what, in the absence of joint standing orders, is the meaning of the words as they occur in the Constitution?

Mr. ISAACS.—We are discussing not standing orders but the Constitution. As the honorable and learned member for Northern Melbourne rightly said, no standing orders can alter the Constitution. The word "stage" is ordinarily employed in connexion with the consideration of a parliamentary measure. It will be found in May's *Parliamentary Practice* on pages 444 and 445. For instance, it is there stated that the second reading is "the most important stage" through which a Bill is

required to pass. The word will be found also in Story's *Constitution of the United States*. Speaking of the procedure of passing a Bill through three readings and the committee stages, he comes to the question of its engrossing and reading a third time. That is the time usually chosen by opponents of a measure, he says, to attack it, though

Attempts are indeed sometimes made at previous stages to defeat it.

Lower down, he states—

The two last stages of the Bill, namely, on the questions, whether it shall have a third reading, and whether it shall pass, are the strong points of resistance and defence.

Then Cushing, in his work on *The Law and Practice of Legislative Assemblies*, has a chapter headed—"Of the several stages through which a Bill passes."

Mr. CONROY.—The word "stage" is not confined in its application to the first, second, and third readings?

Mr. ISAACS.—That is doubtful. I am not prepared to say that it is so confined. But there has been no subsequent stage in regard to the consideration of the measure with which we are now dealing.

Mr. CONROY.—The Senate went into committee upon it again.

Mr. ISAACS.—The Bill had reached a certain stage when the Senate first made requests in regard to it, and it has not advanced beyond that stage. Certain matters have been reconsidered, but the Bill is in the same stage as it was in before. Cushing, on page 829, says—

Bills thus received, whether presented by members, reported by committees, or sent from the other House, are, in all substantial respects, to be proceeded with in the same manner, through the several stages which have been established by usage for the passing of Bills. At each of these different stages every Bill, in a parliamentary sense, presents a new question, although it may, in fact, be the same which has been formerly considered. These several stages have never been departed from, although they depend upon usage merely, and are as much in force and as fundamental in our Legislative Assemblies as in Parliament. The nature of the different stages through which each Bill must pass in its progress, before it becomes a law, will be stated more fully as we proceed.

In earlier times, when reading and writing were not universal accomplishments, the members of the House of Commons required to have the provisions of measures read out to them, so that they might understand them. In this way arose the term—"The reading of a Bill." It requires very

little research to discover that the first-reading stage was preceded by several preliminary stages, intended to acquaint honorable members with the purport of the measure. Then came the first and second readings, the consideration in committee, and the third reading stages. Altogether there are several stages in connexion with the consideration of a Bill, though it is a matter for each House to determine what the stages shall be.

Mr. V. L. SOLOMON.—Does the honorable and learned member admit that the consideration of a Bill in committee is a stage?

Mr. ISAACS.—I think that it is, but I do not make any admission on the subject.

Mr. V. L. SOLOMON.—Then, if a Bill is referred several times to a committee, it passes through several stages?

Mr. ISAACS.—Certainly not, if it is referred to the same committee. Until a Bill has passed beyond the committee stage, it has not entered another stage.

Mr. KINGSTON.—What about a recommittal?

Mr. ISAACS.—That is a going-back to the same stage. It is not a going-forward to a further stage. It is not making another stage on the journey from Melbourne to Adelaide to go to Serviceton, and then to return to Melbourne. There can be no doubt that the Bill is still at the same stage as it was at when the matter was last before us, and that the requests now before us are the same. Consequently, it seems to me beyond argument that their consideration is forbidden by the Constitution. I have endeavoured to place distinctly, and, I hope, convincingly, before honorable members the reasons why I think we ought not to agree to the motion. I think that a fundamental breach of the Constitution, in no unimportant, but in a very central point, is about to be committed. I hope that I have said nothing to offend the susceptibilities of any honorable member. I cannot recognise as a fair and legitimate reason for laying down a new line of policy utterly foreign to all sense of responsible Government as understood and practised in Australia, the ground of expediency advanced by the Government, or the party reasons which may perhaps operate with honorable members opposite. I do not think that it will be any party triumph for the free-trade members if they secure

the consideration of these requests. They will not change the character of the Tariff, if they carry every resolution in favour of acceding to the requests of the Senate.

Mr. JOSEPH COOK.—Why does the honorable and learned member suggest that we are guided by party considerations?

Mr. ISAACS.—I am only pointing out that my honorable friends may think that they are gaining something, but that their hopes will not be realized.

Mr. CONROY.—If we sought a party triumph we should like to see a dissolution, because it would "wipe out" a number of honorable members opposite.

Mr. ISAACS.—I am sure that my honorable and learned friend means all that he says. I am confident that honorable members will not regard me as impeaching their motives. I am merely presenting reasons why they should not take the course to which they seem favorably inclined. I believe that we shall make a great—I hope not an irretrievable—error if we allow matters of momentary consequence to outweigh those greater considerations which must present themselves to our view. I hope that those considerations, which are merely transient, incidental, and alterable, will be subordinated to those which are permanent, essential, and unalterable. The Attorney-General has told us that the Tariff is a non-party document. I admit the force of what he says, but I submit that the Constitution is still less of a party character, and that we should take refuge behind it. If we are right we are more than justified in resisting any encroachment upon the privileges of this House, which are not given to us for our own sake, but on behalf of those whom we represent. It may be difficult in the highest degree for us to retrieve our position if we once make the mistake which, I am afraid, we are about to commit. I fear that we are about to take, as Wentworth, in Browning's *Stratford*, says—

One false step no way to be repaired.

But however that may be, I am sure that honorable members will act according to the best that lies within them, and I hope, even now, that we shall leave no legacy of doubt or weakness to our successors. I trust that they, when they review our actions and our proceedings to-day, will admit that we have been moved by no impulses less lofty, less noble, or less glorious than the maintenance in its integrity of our splendid Constitution,

and consideration for the welfare of the people it is designed to serve.

Mr. CONROY (Werriwa).—If honorable members on this side of the House desired to make this a party question, they would throw in their lot with those who dissent from the Government, because it must be clear that a dissolution would offer some hope to any party in a minority. We think that a dissolution would offer us every prospect of being able to reverse the present situation. On the other hand, if we went to the country now, we should immensely strengthen the power of the Senate, because there would be returned to this House a body of men determined to reduce the duties imposed by the Tariff, and act strongly in accord with the requests which have been made.

Mr. SALMON.—All the "wobblers" would go out of Victoria.

Mr. CONROY.—Perhaps so; but there is no doubt that the representation of the greater part of Australia would undergo a marked change if we had a dissolution. A great deal has been said regarding the injury that would be inflicted upon this House if we consented to consider the Message received from the Senate; but the whole question has been reduced to the consideration of the meaning of the words "at any stage." Unless we attach a particular meaning to these words, the Senate has not gone beyond its power. I listened very carefully to what the honorable and learned member for Indi said regarding the statement made by Sir Edmund Barton at the Convention in Melbourne. That right honorable gentleman said that requests differing from those first submitted might be made at a subsequent stage; but, if that had been intended, it would have been specifically provided that requests made on subsequent occasions should differ from those preferred at the outset. We are reduced now to a quibble over one or two words, and I ask whether it is worth our while to take the extreme course suggested by the honorable and learned member for Indi. Ought we not to rely upon common sense, and to sweep away the cobwebs of the law? These may be strong enough to enmesh the minds of members of the legal profession, but I trust that they will not be sufficiently strong to influence a body of practical men, who are met together for the purpose of governing—of reconciling the conflicting interests of the

people. The interests of a certain party in this House conflict with those of another party in the Senate, and the honorable and learned member for Indi proposes that we should take steps that would prevent us from having any discussion whatever between the two Houses. If there is a difficulty, this House should be the first to come forward, and make suggestions by which it could be surmounted. It has been said that we might injure the standing of this House in connexion with Money Bills; but section 53 of the Constitution, provides that—

Proposed laws appropriating revenue or moneys or imposing taxation shall not originate in the Senate.

That is a most important limitation, which cannot be overcome by anything we may do. Surely honorable members will not contend that the power of rejecting a Bill does not lie with the Senate? It may be that it is a disadvantage to have a second Chamber, but I do not wish to enter into a discussion of that question. Whilst there is a second House, however, it must have the power of rejecting Bills, and, if this is admitted, how can we contend that it is not to have the infinitely less important power of suggesting amendments, or requesting us to make them? Are we not raising a trivial difficulty? I decline to adopt the narrow view of the matter which the honorable and learned member for Indi has been trying to force upon us. We should do our best to overcome the difficulties which have arisen, but if we do not receive a message from the Senate we are not in a position to know in what respects they disagree from us. The practical result of adopting the attitude suggested by the honorable and learned member for Indi would be to deny the Senate any right to share in the government of the country, and we know what consequences must ensue from our taking up any such attitude. If honorable members opposite had been as ready on a former occasion to foresee difficulties, we might not have found ourselves in our present position. In July last I warned the Minister for Trade and Customs, who, apparently, did not intend to consider the Senate in any way whatever, that a constitutional difficulty would surely arise as the result of his attitude, and surely enough, he has fallen into the blunder against which I warned him. I do not suppose any one doubts that he is directly responsible for the trouble that has

arisen, and the fact that the Senate has insisted upon some of its original requests. It was easy for some of the honorable members of the Senate to ascertain that some honorable members did not take the trouble to consider some of the Tariff proposals, but blindly followed the Minister for Trade and Customs, and I hope that those honorable members now see the folly of relying upon his guidance. Upon the occasion to which I refer, I did not receive any assistance from the honorable and learned member for Indi, or from the honorable and learned member for Corinella.

Mr. McCAY.—Why does the honorable and learned member challenge me with not having done something, and assume that I intend to take a certain course to-day?

Mr. CONROY.—I assumed from the interjections of the honorable and learned member that he was of the same way of thinking as the honorable and learned member for Indi, and I do not think I was wrong. Whilst I should be very glad to take advantage of any circumstances which would tend to force this House to the country—because I believe that the Tariff has been imposed against the wish and behind the backs of the people—I cannot regard the Senate as having placed itself in a position that would debar us from accepting its Message, and therefore I shall support the motion. I feel myself bound to support the Government upon this occasion.

Mr. McCAY (Corinella).—I do not intend to detain the House more than a few minutes in discussing this question. At the same time I recognise that it is one of such importance that those who, like myself, are apparently in a minority should embrace the opportunity of briefly placing upon record their reasons for dissenting from the course proposed by the Government. After the long and able address of the honorable and learned member for Indi, I do not intend to weary the House by repeating the salient points of the Senate's Message to which strong exception can be taken. I think it will be agreed that there are portions of that Message which are in no way warranted by the Constitution. If the Senate makes requests to this branch of the Legislature, and we refuse to accede to them, it then becomes the business of the other Chamber either to pass or reject the Bill, without

informing us that it approves of our agreement to, or modifications of, its requests. Such an intimation is entirely superfluous, and it is more than a matter of mere words, because it approximates to the practice in connexion with amendments, and is in reality an implication that the Senate can deal with our treatment of its requests in the same way that it can deal with our treatment of its amendments. If we make the amendments requested by the other Chamber, or make them with modifications, and then return the Bill, it is the business of the Senate either to accept or reject it as it stands without sending us any Message whatever in regard to particular items. In itself this is not a matter of very great importance, but regarded as an indication of the attitude which may be assumed hereafter by the other Chamber when questions arise as to the relations between the two Houses, it is of the gravest concern. It is utterly useless for the Government to assert that they are going to do something which is not warranted by the Constitution, and at the same time to declare that they reserve all our rights under that instrument of government. If we yield to the Senate something which the Constitution does not grant, it is useless saying that we reserve our rights. A hen-pecked husband who continually dwells upon the word "obey" does not improve his position by verbally reiterating his rights. Similarly if we grant to the Senate a power with which it is not clothed by the Constitution we shall alter the relations intended to be established between the two Houses, and no reservation of rights will prevent the precedent set up on this occasion from having considerable weight should the same question be involved in the future. That is all I desire to say concerning the form of the Senate's Message. But in regard to its substance I wish to observe that the words employed in section 53 of the Constitution—which deals with the power of the Senate in the matter of making requests—show upon any reasonable interpretation one limit of meaning only. I do not rely upon the expression of opinion in regard to this matter by Sir Edmund Barton, when acting as leader of the Federal Convention, though I think that his opinion is entitled to the utmost respect. Certainly, if any one's judgment ought to weigh with us his should do so. But the reasonable interpretation of section 53 is that

a limit is imposed upon the power of the Senate in regard to Money Bills. In the first place I hold that the power of request is not intended to exceed the power which would be conferred by the right of amendment. The Senate, by its requests, is not to have more power than it would enjoy if it possessed the right of amendment only. In this connexion I differ from the view of the honorable and learned member for Indi as to requests by the Senate for increased charges or burdens upon the people. I think that section 53 carries with it an implication that the requests of the Senate shall suffer the same limitation that applies to amendments, namely, that a burden or charge upon the people shall not be increased. It is inconceivable that the power of request which was intended to be less than the power of amendment should be allowed to exceed it. It is impossible to suppose that the Constitution meant to declare—"The Senate cannot amend a Bill so as to increase a charge upon the people, but it can request that such a charge shall be increased." That limitation on the power of request must be read into the Constitution, though it does not appear there in so many words. If the power of request is not to exceed that of amendment, it seems to me that we arrive at something like that position. With respect to the resolution submitted by the Attorney-General, without any desire to fully discuss the meaning of the word "stage" to which reference has been made, I may say that, to my mind, it means a complete operation in regard to a Bill, bringing it nearer to its final passage through the House.

Mr. JOSEPH COOK.—The honorable and learned member for Indi said there were seven or eight stages in the passing of a Bill.

Mr. McCAY.—Yes; but each stage is complete in itself, and brings its final passing nearer. It appears to me that the Senate cannot make requests twice at the same stage in the history of this measure. As a matter of fact, I do not think that it can make requests twice during all the stages of the Bill. The words "the Senate at any stage may return a Bill, &c.," mean at any stage in the history of a Bill. At the most the Senate may suspend the operation of that stage, and return the Bill to this House with a request that it shall be amended. When it resumes its consideration of the measure it must either complete that stage

in its consideration or go on to the next stage. I see no legal quibble or refinement in this matter such as the leader of the Opposition suggests is to be found in any constitutional argument.

Sir WILLIAM McMILLAN. — Does the honorable and learned member say there is no question about the interpretation which he has placed upon the Constitution?

Mr. McCAY. — I am very loth to answer in the affirmative, because, with all its flexibility, the English language is a very imperfect vehicle for conveying our thoughts. But I do hold that what I have stated is a reasonable interpretation of that section.

Mr. HARTNOLL. — It is a most inconvenient one.

Mr. McCAY. — We are not concerned with whether or not it is inconvenient. We are concerned with whether that was the intention of the Constitution under which the people declared that we should work.

Mr. HUME COOK. — The question is whether that interpretation is a correct one.

Mr. McCAY. — Exactly. I have not heard anybody suggest that it is not correct. I venture to say that not a single honorable member will declare that the Senate can return the same request to this House twice.

AN HONORABLE MEMBER. — What would be the next stage?

Mr. McCAY. — Going into committee would be the next stage, the report would constitute another stage, and the third reading still another. There are plenty of stages in the history of a Bill.

Mr. V. L. SOLOMON. — But in this case it is the various items of a schedule with which we have to deal.

Mr. McCAY. — I have yet to learn that the schedule is not part of the Bill. I am very much obliged to the honorable member for his interjection, because I should like to draw attention to the fact that the only power which the Senate possesses is to deal with the whole Bill as we sent it to that Chamber. When the Senate returns the schedule to us it has to return the whole Bill. That fact strengthens my contention that the other Chamber must not send back the whole Bill to this House twice at any stage. To my mind, it has exhausted its powers when it has returned the measure once.

Mr. SAWERS. — The Convention settled that.

Mr. McCAY. — The Convention did nothing of the sort. The Constitution alone settles it. Even the leader of the Convention did not express a definite opinion upon this matter.

Sir WILLIAM McMILLAN. — Was not this provision based upon the South Australian practice?

Mr. McCAY. — It was suggested by that practice, but I cannot agree that it was determined by it. The next point which arises is — "Can the Senate make the same suggestion under any circumstances a second time?" If it can, then it can make it a third and a thirtieth time, subject to any limitations which it chooses to place upon itself by its own standing orders.

Mr. JOSEPH COOK. — It can make a request as many times as we allow it to do so.

Mr. McCAY. — No; it can make it as many times as we choose to receive its Message. If we receive its Message a second time there is no reason why we should not receive it a third time. If the Senate can make the same suggestions a second time, whether at the same stage or another I care not, so far as regards this particular part of the argument — if the Senate can do that, it is in exactly the same position in regard to requests as it is in regard to amendments. When I use the word "exactly," I am leaving out of account the somewhat theoretical question as to the House on which the final responsibility of rejecting the Bill will fall. But that is rather an academic question, at any rate, at the present stage of affairs.

Mr. GLYNN. — There is the great difference that the requests do not go to a joint sitting.

Mr. McCAY. — That is perfectly true, but that only goes to show that the power of request is to be regarded as something distinctly inferior to the power of amendment — something not equal to an amendment in its incidence, except on the particular point to which another honorable member has referred.

Mr. ISAACS. — Suggestions can be referred to a joint sitting.

Mr. DEAKIN. — Not suggestions.

Mr. McCAY. — Section 57 provides —

If the House of Representatives passes any proposed law, and the Senate rejects or fails to pass it, or passes it with amendments to which the House of Representatives will not agree, and if after an interval of three months the House of Representatives, in the same or the next session,

again passes the proposed law with or without any amendments which have been made, suggested, or agreed to by the Senate, and the Senate rejects or fails to pass it, or passes it with amendments to which the House of Representatives will not agree—

certain things are to happen. That is the only section in which the word "suggested" instead of "requested" appears in the Constitution, and it is, so to speak, a misprint. Requests appear to be placed on a fairly strong basis, but that aspect is foreign to the present issue. If the same request can be repeated it is an amendment in all but name; the difference in the words amounts to nothing. Neither the members of the Convention nor the people of Australia, when they accepted the Constitution, for one moment believed that "requests" were to be identical with "amendments." Had I believed that requests were to be regarded as amendments I should, as far as lay in my power, have asked the people of Victoria to reject the Constitution. It was because, on a reasonable rendering of the section, a distinction was intended, and, as I supposed, was made between requests and amendments, that I was prepared to accept the Constitution. If the proper construction be that contended for by some honorable members, we have a cumbrous machinery for attaining exactly the same results as an ordinary system of amendments would attain.

Mr. JOSEPH COOK.—Will the honorable and learned member indicate the course he thinks ought to be followed? The honorable and learned member for Indi did not do so.

Mr. McCAY.—I am prepared to indicate the course which ought to be followed, and I believe the honorable and learned member for Indi also did so when he expressed the opinion that the motion should not be passed. I do not want to do the Senate the discourtesy of not formally letting them know that their Message actually reached us.

Mr. GLYNN.—How does the Constitution provide for that?

Mr. McCAY.—If the Senate does what we consider unconstitutional, we are not to be blamed if we are courteous enough to tell them that we think they are wrong.

Mr. GLYNN.—The honorable and learned member asks the Senate to listen to us, but does not want us to listen to the Senate.

Mr. McCAY.—I think the Senate ought to be informed that their Message has been brought before this House, and that it is

considered by us that they exceed their constitutional powers by sending the Message.

Mr. ISAACS.—And that the Bill has been sent to them to deal with.

Mr. McCAY.—And that the Bill has been sent to the Senate to pass or reject it. We may also express a hope that the Senate will pass the measure, or use words to that effect. The framers of the Constitution assumed that the Senate would not exceed their constitutional power, and, therefore, there is no provision for such an occurrence. The Acting Prime Minister seems to doubt the propriety of sending to the Senate the motion in which he seeks to preserve our rights.

Mr. DEAKIN.—I doubt the necessity.

Mr. McCAY.—"Necessity" and "propriety" come to the same thing in considering grave matters of this kind. The Acting Prime Minister seems to think that by a motion of our own—a sort of private home declaration concerning ourselves—we shall save our rights. If that be the Acting Prime Minister's idea he is more sanguine than ever I thought him to be. It is no use making abstract declarations on our own behalf. In future years, when the Houses do have to settle questions even bigger, perhaps, than that now in dispute—when the inevitable conflict occurs, though not necessarily carried to the extreme contemplated as possible by the Constitution—what will be appealed to will not be the mellifluous terms of a resolution declaratory of our own rights, but the actual course taken by the House.

Mr. HARTNOLL.—Say, "without prejudice," to satisfy legal members.

Mr. McCAY.—The honorable member is pleased to be jocular, and he evidently misunderstands legal members on the subject. The honorable member would, I suppose, sacrifice all his rights "without prejudice"—would give away all his money, or support the Government Tariff proposals on the same terms. To my mind the Commonwealth will never be able to get away from the fact that on the first occasion on which the question could be raised as to the respective constitutional powers of the two Houses, the Government, which is supposed to be, even more than private members, the guardian of the interests of the House, with the approval of the leader of the Opposition, advised honorable members to sacrifice the conceivable rights of the Chamber, and the

conceivable rights of the people represented by this Chamber.

Sir JOHN QUICK (Bendigo). — If I thought that the motion, as proposed by the Acting Prime Minister, would involve any sacrifice of the rights of this House I should vote against it, and advise every honorable member to do the same. I decline to admit, however, that the passing of the motion means either a sacrifice, as suggested by the honorable member for Corinella, or a renunciation of our rights as suggested by the honorable member for Indi. I am as strong as those honorable and learned members in the view they have put forward as to the construction of the Constitution. I agree with them entirely in the view that the section empowering the Senate at any stage to return a Bill with a Message requesting alterations gives a power which can be exercised only once at the same stage, and that it does not give the right to repeat the same request at the same stage. That, I think, is a sound constitutional view—a view consistent with the unwritten law of Parliament in regard to communications between the two Houses, and a view thoroughly in harmony with the Constitution. Amendments no doubt are sometimes pressed, but we must consider the question apart from the principle of amendments. I do not think the Senate has a right to press a request. I thoroughly agree with the view put forward by the honorable and learned members, to whom I have already referred, that there is a great difference between the constitutional power to request or suggest alterations, and the constitutional power to make amendments. The section itself draws a marked distinction in the words “the Senate may request an omission or an amendment.” That shows a marked contrast between requesting a thing to be done by another House which has the exclusive power to do that thing, and the right to do it by the party requesting it to be done.

Mr. HUGHES.—That is all right in theory.

Sir JOHN QUICK.—And also in practice. When we arrive at the stage at which the question will be properly fought out to the bitter end—and this is not the proper stage—then effect will undoubtedly have to be given to the contrast shown in the section, and also to the words referred to by the honorable and learned member for Indi, namely, that the House of Representatives may, “if it thinks fit,” make the

alteration requested. These words show that the intention of the Constitution is that finality shall rest with this Chamber, and that the Constitution at the same time intends that this Chamber shall be in a position to recognise hints and suggestions from the Senate, as it might indirectly through any public organ in the Commonwealth, as to the direction in which alterations or improvements may be made as to the direction in which alterations or improvements may be made. Such being my view, I desire to explain, in a few words, why I intend to support the proposition of the Acting Prime Minister. By passing his motion we point out to the Senate, and to the whole world, that we do not in any way surrender our right to place our own interpretation upon the section of the Constitution when the time arrives. If we receive the message of the Senate without entering something like a protest, or placing a notice such as is now proposed upon our records, it may be said hereafter that we have waived our right of interpretation. Even if we did waive that right, our action in doing so would in no way affect our powers and privileges as determined by the Constitution. The honorable and learned member for Northern Melbourne has said that we cannot in any way contract or enlarge our powers by passing standing orders. Neither can we contract our powers by any action we may take in waiving them.

Mr. MCCAY.—Yes, we can, if we waive our rights under a section which the House of Representatives and the Senate interpret between themselves, and whose interpretation will never be a matter for the courts to determine.

Sir JOHN QUICK.—We receive this message under the special and extraordinary circumstances referred to in the motion. The statement of that fact recited in the motion submitted prevents anything like a waiver of our rights. The time may arrive when a triumphant majority in this House will desire to raise the question in a practical form, and to fight it out, even to the length of carrying on the contest before the constituencies.

Mr. JOSEPH COOK.—It will have to be raised when the standing orders come to be framed.

Sir JOHN QUICK.—That would be a very weak way of raising it; indeed I do not see how it can be raised then. It will have to be raised in connexion with some great

legislative proposal ; but this would be a most inopportune and unwise time to raise it. This is the first occasion in our history that any difference of opinion as to the interpretation of the section has come before us in a concrete form. The point has been discussed by constitutional writers and in the press, but we have never been called upon to exercise the responsibility of declaring our view in regard to it.

Sir WILLIAM McMILLAN.—We are not giving up the right to at any stage refuse to receive the Messages of the Senate.

Sir JOHN QUICK.—That is hardly the point. The point is whether by receiving this Message of the Senate we waive the right to hereafter raise the contention that the Senate cannot send two Messages in regard to a measure while it is still at the same stage of consideration. By agreeing to the motion which has been moved by the Acting Prime Minister, we save that contention. We say that under the special circumstances of the case—Parliament having been engaged for a long period in the discussion of a momentous and complicated measure, which it would be a disaster resulting in a national crisis to jeopardize—we agree not to determine our constitutional rights. Strong as my views as to our constitutional position are, I regard with positive alarm the possibility of anything like a contest resulting in a dead-lock between the two Chambers at the present time. We ought not to launch into a great fight, such as we should be inviting if we refuse to accept the Message of the Senate, without considering all the consequences. If we declined to accept this Message, the Senate would say, "You never gave us warning of the view you take in regard to your constitutional position. You have never, by any action or declaration, denied our right to send a second Message, and in the absence of such notice or declaration we had a right to send a second Message." The rejection of a second Message under those circumstances would undoubtedly give the Senate the right to complain of discourteous treatment. Before entering into a big controversy, we should respectfully acquaint the Senate of our views as to its constitutional disability, and the constitutional rights of this House. The motion before us will do that, and will give them fair notice and warning as to what we may do on a future occasion if a second Message is sent under like circumstances. I think the

people of Australia will expect us, before entering into a contest with the Senate which may involve the loss of the Tariff and the prolongation of the commercial uncertainty and unrest which now exists, to acquaint the members of that Chamber with our views on the matter. I think that, as a piece of political wisdom and precaution, we should agree to the motion, because it will preserve our rights and privileges, as we or those who may come after us may interpret them, and afford a judicious means of dealing with the difficulty at the present stage. If the Senate, after this intimation, show a persistent determination to invade our rights and privileges, it will be the duty of the Government to take such action as will show them that we do not intend to tamely submit to any such invasion. Those are the views which I entertain, but I decline to admit that I am, in any degree, less earnest or less determined than honorable members who have preceded me, to vindicate to the utmost the privileges of this House, as established by the letter, as well as the spirit, of the Constitution. Under the special circumstances of the case, I urge honorable members to acquiesce in the view presented by the Acting Prime Minister, and to pass the motion, which, I believe, will meet all the requirements of the situation, and will, at the same time, judiciously preserve our rights and privileges.

Mr. WATSON (Bland).—I regret that I cannot vote for the motion of the Acting Prime Minister. Although I have from the inception of the consideration of the Tariff endeavoured to keep in view the desirability of avoiding a contest with the Senate, and bringing the matter to a conclusion as early as possible, so as to allow business people to know under what conditions they will have to carry on their enterprises, and have therefore on many occasions sacrificed my view as to the rates of duty which should be imposed, I think a period has come when we must cease to attempt to obtain harmony by continuing to sacrifice our opinions. I admit that the position has been ably stated by those who object to the motion on constitutional grounds, but I do not base my opposition to it wholly upon those grounds. As a layman I am not competent to express an opinion as to the exact interpretation which should be placed upon that section of the Constitution which governs the relations

of the two Houses in regard to Money Bills, but the contention of the honorable and learned member for Indi, which is supported, strange to say, by the honorable and learned member for Bendigo who intends to take an exactly opposite course, appears to me to be the correct one. That the Senate may return a Bill with requests for amendment only once at any particular stage of its consideration, seems to me to be the correct interpretation of the Constitution, and I cannot understand the attitude of the honorable and learned member for Bendigo, who, while he not only admits, but asserts that the view taken by the honorable and learned member for Indi is correct, tells us that he is prepared to make use of the ladder which the Government have provided to enable members of this House to climb down from an awkward position.

Mr. RONALD.—It is a matter of expediency.

Mr. WATSON.—It may be, but those who, like the honorable member for Bendigo, think that we shall get another opportunity to maintain the position which it is open to us to maintain now are very much mistaken. The Acting Prime Minister has told us that we shall be able to get the constitutional issue decided when dealing with the standing orders. Does he think that there will be enough vim behind any proposal in regard to the standing orders to cause honorable members to go to the country upon it? Will a difference of opinion in regard to the standing orders appeal to the great masses of the electors as a sufficient excuse for a contest between the two Houses? They will laugh at us for our pains, and probably elect other men in our places.

Mr. JOSEPH COOK.—Is the honorable member anxious to go to the country?

Mr. WATSON.—No, but I am prepared to do so if necessary in support of my principles, as I and other members of the labour party did in New South Wales in 1895, in support of a measure introduced by a Government in which the honorable member held a portfolio, and after we had been only twelve months in Parliament. I am prepared to go to the country now rather than to concede to the representatives of minorities of the people equal power with us in regard to measures dealing with taxation. That is the whole point involved. The fact that the Senate is a House representing minorities may be cloaked by a reference to it as the States'

House, and to the State rights which are supposed to be entrusted to its keeping, but it still exists. Those who represent minorities of the taxpayers are asking for equal powers with this Chamber with regard to the imposition of taxation. I intend to oppose at every opportunity which presents itself the contention that they have a right to do so. I fought the issue in New South Wales at some risk of my own seat, but I am prepared to take the risk again in defence of the position now. The Acting Prime Minister said that the special circumstances in which we now find ourselves are not likely to be repeated. He has referred to the two-year period within which the Tariff has to be passed, and has stated that if we push matters to extremes we may exceed the limit. I do not know that, as a matter of practice, there is any great argument underlying this statement, because, whilst it is desirable from all points of view that the Tariff should be settled within two years, or even before the expiration of that time, what penalty can follow the non-observance of that particular condition?

Mr. DEAKIN.—None.

Mr. WATSON.—None at all. It seems to me, therefore, that whilst that provision should have weight with us—and I dare say it was considered by many of us during the past few months, when we endeavoured to secure reasonable compromises upon matters in respect of which we otherwise should not have yielded—it should not operate in our minds in comparison with the broad question whether this House or the other is to mould the taxation of the country. The honorable member for Wentworth said that the mere fact of our reception of the first Message from the Senate, and our consideration of it, item by item, deprived us of the opportunity of declining to receive the second Message. The honorable member argued that we had given away the whole case by accepting the first Message, but I differ from that view, because, as I understand it, we were constrained to receive that Message by the exact terms of the Constitution. There can be no possible doubt as to the interpretation of the section of the Constitution which provides that the Senate shall be entitled to make requests and forward them for consideration to this Chamber. Surely no one would argue that we should be justified in refusing to accept the first

set of requests, and I do not see that the action we took in any way prejudiced the position that some of us now desire to take up. I believe that in regard to finances especially, and generally speaking in regard to the conduct of the affairs of this Commonwealth, it is not possible to carry on responsible Government with two Houses of anything like equal power. One House must be predominant; otherwise responsible Government is impossible, and as I have to choose, as the country will eventually have to do, between the two Houses, I prefer to throw in my own lot with the Chamber which represents the people in their numerical strength and taxable capacity rather than with the other House, which is said to represent the people in other aspects of national affairs. A great deal has been made of the State House aspect of this question, but I would ask honorable members what evidence there is that the members of the Senate have not been actuated by exactly the same considerations as have the members of this Chamber in the discussion of the Tariff? There is no indication that each delegation has acted conjointly on behalf of its own particular State. There has been no question, so far as I have been able to ascertain, of any State action. Each member has been guided purely by his own convictions with regard to the incidence of taxation, or by the objections which he has entertained towards certain proposals.

Sir WILLIAM McMILLAN.—I stated that the Senate had acted in its capacity as a second Chamber, and not as a House representing the States.

Mr. WATSON.—I am sorry I misunderstood the honorable member. If we dismiss the question of the representation of the States in the Senate, we have to confine our attention to the point whether the Senate, as a second Chamber, is entitled to prevent the passing of a measure which the whole community has asked for, or to insist that if it is passed, it shall be in the shape desired by them, and not as framed by this House representing the people as a whole. I do not wish to labour this question, because I think it has been very ably argued by other honorable members, particularly from the legal aspect. I have for years taken the stand that there can be only one Chamber to exercise effective control over the affairs of the Commonwealth, and that, whilst for

advisory purposes and in order to insure that every consideration shall be given to legislative proposals before they become law—even from that point of view there may be more justification for the view taken by those on the other side—I cannot consent on an occasion of this kind to any steps being taken which would admit the equal right of the other Chamber, particularly in matters of taxation, to control the affairs of the Commonwealth.

Mr. SALMON (Laanecoorie).—Like the honorable member for Bland, I feel that this question has been well debated from the legal aspect by those who have preceded me. As a lay member of the House, however, I feel very greatly obliged to the honorable member for having brought the matter down from the somewhat lofty position it occupied to the level of practical politics. The Constitution provides for certain methods by which the expressed will of the people shall be crystallized into statute law. It was provided that there should be two Houses, and that in matters relating to taxation one House should have the sole right of origination, and that the other House should be limited with regard to the manner in which it should deal with such measures, compared with laws affecting other matters. The members of the other Chamber have privileges that we do not enjoy. For instance, they have a longer tenure of office; a tenure twice as long as that conferred on members of this House. That at once disposes of any claim that might be put forward for equal power on the part of the other Chamber with regard to Money Bills. It shows that those who drafted the Constitution, and recommended it to the people, and those who accepted it were fully aware of the vital difference between the powers of the two Houses. The other Chamber has the right to make requests with regard to Money Bills, but the power to insist upon such requests is one that cannot be held to exist. The Senate may have the right to insist upon its requests, but I do not know that any honorable member will assert that that Chamber has made amendments in this Bill. It has been stated in that Chamber that the Senate has “made amendments,” and that it has “fixed the rate of duty,” but we do not admit that. The Constitution provides for the making of requests by the Senate, and for their reception

by this Chamber, but it does not provide for a second message similar in character to that first sent to us. At page 671 of the *Annotated Constitution of the Australian Commonwealth*, compiled by Messrs. Quick and Garran, the following passage occurs:—

If that House (the House of Representatives) declines to make the suggested amendment, the Senate is face to face with the responsibility of either passing the Bill as it stands or rejecting it as it stands. It cannot shelve that responsibility by insisting upon its suggestion, because there is nothing on which to insist. A House which can make an amendment can insist on the amendment which it has made, but a House which can only "request" the other House to make amendments cannot insist upon anything. If its request is not complied with, it can reject the Bill or shelve it; but it must take the full responsibility of its action.

I understand that the honorable and learned member for Bendigo does not agree with this authority.

Sir JOHN QUICK.—Yes, I do. The honorable member could not have followed my remarks.

Mr. SALMON.—The honorable and learned member told us, as I understand, that the Senate could repeat its requests.

Sir JOHN QUICK.—No.

Mr. SALMON.—I understood him to say that the Senate had a right at a further stage to make requests similar to those preferred in the first instance.

Sir JOHN QUICK.—No, I said that they had a right to make a request a second time at the same stage.

Mr. SALMON.—The Senate has taken up the strong position which one of the ablest critics of the Constitution Bill, Sir Samuel Griffith, foretold. He said—and the remark is noted at page 671 of the work which I have just quoted—

A strong Senate will compel attention to its suggestions; a weak one would not insist upon its amendments.

Mr. ISAACS.—The honorable member must add to that, "if you have a weak House of Representatives."

Mr. SALMON.—That statement of Sir Samuel Griffith afforded the first indication of what might happen. During the last few weeks attempts have been made to induce the Senate to insist upon its requests.

Mr. V. L. SOLOMON.—Sir Samuel Griffith went on to say that he did not see much constitutional difference between the power of request and the power of amendment.

Mr. SALMON.—Yes, and by his remarks upon that portion of the

Constitution, Sir Samuel Griffith showed his utter unfitness for the position of Chief Justice of the Commonwealth, which some people would like to push him into. I would ask honorable members not to throw away the rights and privileges which this House possesses under the Constitution. I was deeply pained when I heard the Attorney-General read his motion. I have given more thought to this question than to any other that has occurred during the nine years I have been in public life, and it was with a feeling of grave disappointment that I found the Acting Prime Minister departing, for the first time to my knowledge, from the principles which he has so valorously upheld in the past, and his stout advocacy of which has endeared him to the democracy of his native State. I feel that we are now about to take a step which we shall never be able to retrace. I do not believe that we can save the situation by consenting to this renunciation of the highest rights and privileges we enjoy. There is no comparison between the strength behind this House and that behind the Senate. Undoubtedly the balance of power rests with the House of Representatives, and a step which would deprive us of our strength would not only be deplorable, but should, even at this late moment, be prevented. I only wish that I could give adequate expression to my feelings regarding this matter. I view the motion as a step in the wrong direction, and I fear that if it be carried we shall, in the near future, deeply regret our action.

Mr. GLYNN (South Australia).—The honorable and learned member for Bendigo has already pointed out, in his really patriotic speech—a speech imbued with a truly federal sentiment—that the action proposed by the Government upon the present occasion, can scarcely be regarded as a precedent. I go beyond that, and say that nothing we can do in this matter can amount to a precedent, because there can be no such thing as precedents between the two Houses. Our behaviour in relation to one another, if it is not prescribed by the Constitution, must be determined by the exigencies of each particular occasion. I cannot see how any action taken by us on one occasion can be said to constitute a precedent which is applicable to an altogether different set of circumstances. We cannot establish a precedent which will cut

down any rights vested in this House by the Constitution. But any danger in that respect has been removed by the terms of the resolution, which is couched in statesmanlike phraseology, and which declares that our action on this occasion must not be interpreted as a precedent. What is the issue really involved? The Senate has a second time sent down a number of requests. Now is not the very object of giving the other Chamber the right to make requests in cases in which it has not the power to amend, and might be compelled to exercise the extreme power of rejection, that suggestions, with a view to compromise and the avoidance of a crisis, may be made to the House of Representatives? If the other Chamber says—"Instead of exercising our power to reject the Bill, we wish again to appeal to the House of Representatives," surely it cannot be accused of attempting to curtail our rights. When the Senate admits our exclusive power to amend Money Bills, by requesting us to make certain amendments in the Tariff, I hold that by repeating its requests it does not curtail our privileges.

Mr. ISAACS.—That is not the point.

Mr. GLYNN.—The Senate has merely asked this House a second time to exercise its exclusive prerogative to amend a Money Bill.

Mr. HUME COOK.—Can it do so constitutionally?

Mr. GLYNN.—Undoubtedly it can. The fact that it is not expressly stated in the Constitution that the Senate cannot repeat its requests does not necessarily imply that it can send down those requests once only. In law, the power to do a thing, in the absence of an express limitation, includes the power to do it from time to time, as occasion requires.

Mr. HUME COOK.—But under the Constitution that power is governed by the words "at any stage."

Mr. GLYNN.—I cannot see that the Senate, by repeating its requests, in any way negatives or cuts down a power which is acknowledged by the Constitution to be exclusively vested in this House. I do not believe that the other Chamber has, or ought to have, equal powers with the House of Representatives in regard to Money Bills. The honorable and learned member for Bendigo clearly explained that in referring

to paragraph 3 of section 54 of the Constitution, which states—

The House of Representatives may, if it thinks fit, make any of such omissions or amendments, with or without modifications.

Mr. ISAACS.—According to the procedure which is being adopted, we must make the amendments.

Mr. GLYNN.—Does the honorable and learned member mean to say that the repetition of a request allays the machinery of the Constitution?

Mr. ISAACS.—It becomes a demand.

Mr. GLYNN.—The Senate has not rejected the Customs Tariff Bill. The period of three months which has to run in the event of a disagreement between the two Houses dates only from the time when the Senate rejects or fails to pass the Bill. Does the repetition of a request postpone the running of that three months' period?

Mr. ISAACS.—No.

Mr. GLYNN.—It does not cut down our acknowledged powers, neither does it allay the machinery of the Constitution, and, therefore, I fail to see how a repetition of certain requests curtails the undoubted rights of the House of Representatives in regard to Money Bills. But the true key to this matter—as was mentioned by the honorable and learned member for Bendigo—is to be found in the provision which declares that the House of Representatives may, if it thinks fit, make the amendments requested. That is an acknowledgment in express terms of the exclusive right of this House to make amendments in Money Bills. I would further point out that a request cannot be referred to a joint sitting of the Houses. That is clear from section 57, sub-section (3), which states—

The members present at the joint sitting may deliberate and shall vote together upon the proposed law as last proposed by the House of Representatives, and upon amendments, if any, which have been made therein by one House and not agreed to by the other . . . &c.

No provision is made for a joint sitting of the Houses in regard to requested amendments. The very fact that in the final issue those requests cannot be referred to a joint sitting indicates that they are less potent than are amendments.

Mr. ISAACS.—What is the meaning of the word "suggested" in the provision relating to the joint sitting?

Mr. GLYNN.—That word is used only in the first part of the section, and it refers to requests which have been adopted by

the House of Representatives and embodied in a Bill. Those requests then become part of that Bill, which can be a second time passed by the House of Representatives. But if there be a balance of requests which had not been adopted as amendments by the House of Representatives, those requests disappear and cannot be referred to the joint sitting. Really, therefore, the position is that any Bill referred to a joint sitting must be in the form in which it was last amended by the House of Representatives. In that form, with reference to any requests, it must either be accepted or rejected. That, however, is not the case with amendments within the power of either House to make, and which lead to a dead-lock. They can be discussed one by one, and either accepted or rejected. Clearly, therefore, it was never intended by the framers of the Constitution that requests should have equal potency with amendments in Money Bills. By agreeing to the resolution submitted by the Attorney General, we are not curtailing our privileges in any way whatever. In this connexion, perhaps, I may be permitted to refer to the only case in the nature of a precedent which can possibly guide us. The provisions in the Constitution for the cure of deadlocks were taken from an agreement between the two Houses in 1857, and the South Australian Constitution Act of 1881, and it is strange that the procedure adopted by the Houses of that State, which is regulated by joint standing orders, expressly provides which the Commonwealth Constitution does not, that after the requests of the Legislative Council have been considered by the House of Assembly and returned to the Legislative Council, the power of requesting amendments is at an end. But the legislature does not act upon that provision. It takes a more statesmanlike view of the situation. In the debates which took place upon the Tariff Bill in 1887, the point was raised whether the House of Assembly should regard the requests of the Legislative Council as amendments, whether they could be modified and returned to the Legislative Council, and whether the latter could again return them either with or without modifications to the Assembly. The standing orders of that State provide that after the requests of the Legislative Council have been considered and the Bill has been returned to that Chamber, it shall either be assented to or rejected in the form in which

it was passed by the House of Assembly. Parliament, however, does not act upon that provision. It takes a wider view of the situation, and one which is marked by a spirit of compromise. The very object of the provision is to bring about a compromise by appealing a second, and, if necessary, a third time to the House in which the dominant power is vested.

Mr. KENNEDY.—Does the South Australian Parliament violate its own standing orders?

Mr. GLYNN.—No; because it is the master of its own procedure. When objection was taken to the adoption of the course I have indicated in connexion with the Tariff, the House of Assembly allowed the Legislative Council to make further requests, stating, however, that such action must not be regarded as a precedent. That is exactly the position in which honorable members find themselves to-day under the proposal of the Government.

Mr. ISAACS.—But the South Australian Constitution gave the Legislative Council the unfettered power of amendment.

Mr. GLYNN.—It enabled standing orders to be passed to regulate the procedure between the two Houses, and as long as those standing orders are in existence they have equal potency with the Constitution itself.

Mr. ISAACS.—No, the House may disregard a standing order.

Mr. GLYNN.—The difference is simply in the power of rescission. On the analogy of South Australia, the course proposed by the Attorney-General should be adopted. But I would further point out that requests made by the Legislative Council have been considered and amended a second and even a third time at the instance of that Chamber.

Mr. ISAACS.—There is a different Constitution.

Mr. GLYNN.—The only difference is that the prescription in one case is by the resolution of the two Houses, and in the other by the Constitution itself. The honorable member would, I suppose, on the same principle hold that a by-law is not of equal obligation with the Act under which the by-law is made; but so long as a by-law is passed under the power given by the Act, it is of equal obligation with the Act. The instances in which requests have been made by the Legislative Council of South Australia in connexion with Money Bills

begin with a Loan Bill in 1874. I shall not mention every occasion, but come to that of the Payment of Members Bill in 1887. In that case the requests, when they were first considered by the Legislative Assembly, were sent back with reasons for disagreeing to them. The Legislative Council considered the message, and the requests came back to the Legislative Assembly in some cases with modification.

Mr. ISAACS.—What have we to do with this?

Mr. GLYNN.—I do not wish to take up time, because, really, we are raising an issue which does not properly belong to the occasion. But these requests were sent back a second time; and I could follow the matter out, and show that they went back again, and were finally adopted, with some modifications suggested by the Legislative Council. The honorable and learned member for Indi practically suggests that the whole of our liberties, which we inherit under the British Constitution, so far as they are applicable to Australia, will be imperilled by our allowing the Senate to repeat requests in a modified form. But at whose suggestion are the requests repeated? At the suggestion of the very House whose liberties the honorable and learned member wishes to protect. The House of Representatives sent back the requests in a modified form, and declared they had agreed to the modifications made. At our instance, and at our invitation, the requests were sent to us, as we amended them—for what purpose? To reject them? Why was the honorable and learned member silent when we modified the requests, and sent them back for the acceptance of the Senate, and repetition, as altered? I cannot see that the Senate, in making a request the second time in a modified form at our invitation, is imperilling the great wealth of liberty we enjoy under the British Constitution. I am exceedingly glad Ministers have taken a statesmanlike stand on the matter, and that the acting leader of the Opposition thoroughly agrees with the temper in which the motion is proposed.

Mr. HUGHES (West Sydney).—I desire to say a few words on this matter; otherwise my action may be misconstrued. We have heard at considerable length very admirable dissertations upon the constitutional phase of the question. It is quite unnecessary for me, if I were able, to traverse the arguments; I need do no

more than simply agree or disagree with them. We are asked by virtue of this motion to affirm that this is not the time to enter into a constitutional struggle, but that we shall write across the motion the words "without prejudice" and settle the items of the Tariff on their merits. First of all, I say that we cannot write "without prejudice" across such a motion. I quite agree with the honorable and learned member for Corinella, who said that it would be impossible to refer this question to the committee on the joint standing orders, and expect the members of the committee to keep out of their minds the fact that on the first occasion when this House had an opportunity to defend its liberties or its privileges, it put that opportunity aside and deliberately accepted peace. If I thought for a moment that any of our privileges were in question, I should vote against the motion, but I firmly believe that the Senate is acting quite within its rights. I do not believe that any of the men in New South Wales who voted against the Bill, or half of those who voted for it, had any doubt in their mind that the Senate was to have, except as to mere quibbling of terms, exactly the same power as the House of Representatives in all matters. The honorable member for Wentworth described, during the referendum campaign, in colloquial terms the difference between a request and an amendment as the difference between "tweedledum and tweedledee." We have heard some eloquent and learned dissertations upon the construction of clause 53. But how is it construed by the people of the country? Undeniably it was said by the leader of the Government, by the leader of the Opposition, and by the leaders of the federal party throughout Australia, that one of the essentials of federation was equal representation in the Senate, in order to safeguard the interests of the States as such, as opposed to the interests of the majority of the people as such. Is there any State interest more important than the financial interest? We have heard from the Treasurer and from the Minister for Trade and Customs—not once, but hundreds of times—that the solvency of the States is the crucial point in the Tariff. These Ministers say that we have entered into certain honorable and onerous obligations, and that they intend to meet those obligations. And no one denies that

position. Are we to say that the Senate is to have the power only to make requests and asks us to accept them and no more? According to the honorable and learned member for Bendigo, if we "think fit" we may accept the requests, but if we do not "think fit," then the Senate is to be placed in exactly the same position as that occupied by the Legislative Council of a State Parliament. If any man had dared to stand up and tell the smaller States that the Senate had only such a power, the Constitution would never have been accepted. The smaller States were told that the Senate was to be a safeguard to them, and in the larger States—at any rate, in New South Wales—the chief objection to the Constitution was that the Senate had equal power with the House of Representatives, the only difference being in the form of words in which the power was expressed. Now, however, we hear that "at any stage" means that the same request can be made only once at any stage. I might, if I were inclined to quibble, ask what is "a stage." Is there a special meaning, or is the meaning that which all men commonly attach to the word? Is that not a stage in a Bill when one House receives a measure, deals with it, and sends it out of the House? If that be the meaning, then, according to what we have heard, the Senate has the power to request amendments at every stage. Whether that be so or not, the Senate, which is quite as well able as this House to determine its powers under the Constitution, has a perfect right to its opinions. Senators believe that the section means what two-thirds of the people in New South Wales believed it to mean—what the head of the Government and the head of the Opposition in their Sydney Town Hall speeches, and throughout Australia, told the people it meant—namely, that the Senate has actually the same powers as the House of Representatives. We have been told that there is a great difference between the power of request and the power of amendment. But the difference is merely in the manner in which the question is put from the chair; it is a verbal difference. It is contended that the strong, stable Senate, which was to safeguard the interests of the States, is to be reduced to the pitiable position of a humble suppliant, instead of occupying the position of a body of equal power. If that view be correct, then the Senate has no more power than has the Legislative Council of New

South Wales. The Legislative Council can make suggestions—they cannot convey them by messages to the other House, it is true—on the floor of the House, and every honorable member of the other House who reads the newspapers knows that he has to accept those suggestions, or face the consequences of a total rejection of a measure. In 1894-5 the Legislative Assembly of New South Wales were not told by message in so many words what the Legislative Council wanted; but there was ringing in the ears of the members of the Lower House the fact that, unless they agreed to the suggestions made, they would have on their shoulders the responsibility of a rejection of the measure then under consideration. The Legislative Assembly took that responsibility, and asked the country to decide. Are we now to be told that the Senate has no more power than the Legislative Council? If that be so, then all the arguments for a second Chamber in a federation fall down helpless. There is no real reason for a bi-cameral system, or no reason why equal representation should be enshrined in the hearts of the federation, if the Senate is to have no more voice than a Legislative Council. But the Senate exists, so we are told, by virtue of a totally different principle. Whether the bi-cameral system be essential or not, if we consult *Bryce*, or any other constitutional authority, we see that the system is a constant attendant on federation. There are no instances which I can recall, in which the bi-cameral system has been departed from in modern times; and in nearly every system an approximation has been made to equal representation. We, in New South Wales, were told that without equal representation the smaller States would not enter federation, and the chief reason was financial. We are continually told that the smaller States must have money, and now it is sought to rob them of the right of saying what shall be the revenue of the country. It is true that the immediate question before us may be of small moment, but it might have represented millions or meant the difference between insolvency and entire bankruptcy in two or three of the States. Yet it is sought to take from the Senate all but the power of making one set of requests which we, as we "think fit," may accept or reject. If an appeal were made to the people on the point, I do not think there could be a doubt

as to the result. I do not care whether or not an appeal is made. I, like many others, do not want one. The honorable member for Bland, who has taken rather an extraordinary attitude, says that he is prepared to go to the country and fight this matter out; but I am sure the honorable member could not do so consistently. He was one of those who, like myself, went up and down "like raging lions" telling the people that the Senate had this power, and begging and praying them, in consequence, to reject the Constitution. How could the honorable member go back to the country, and tell the people that the Constitution he begged them to reject is now to be modified, not in a constitutional manner by them, who made it, but because it suits his political purpose for the time being? I have explained my position, and the reason why I intend to vote for this motion. I think I have set down very clearly that in voting for it, I by no means admit that this House prejudices any of its privileges, now or hereafter. I have said, I think with sufficient emphasis, that the position of the Senate is, in my opinion, unassailable, under the Constitution as it now stands. I would only, in conclusion, remind those honorable members who take up another attitude so strongly, and who assert that the Constitution does not give the power to the Senate on this particular matter, that in the State of New South Wales, at any rate, the people were assured to the contrary by us, and by others, that they deliberately accepted this measure, and that it has to stand now until some provision is made under the Constitution for an amendment. I would remind those again who are prepared to accept the Constitution, and the power of the Senate with regard to all other matters than money matters without protest, that, under this Constitution, whether by their refusal to vote for this motion, or by any other means, an appeal could be made to the country, which would have the result of preventing the Senate insisting upon these particular amendments, by the return to this House or to the other House of a sufficiency of men pledged in a different direction, so far as the Tariff is concerned. That course or any similar one could have no effect upon the power of the Senate in respect to other measures, or indeed to this particular class of measures. What these gentlemen propose to do by their action is nothing more nor less than to make of this

constitutional question a political one. It may serve for the time being party purposes, or political ends, but it can have no lasting effect, if any at all, upon the constitutional phase of the question. I say, for my part, that there is a way, which, while it is not simple and expeditious in its application, is yet the only one that may be taken, for the satisfaction of members of this House and of the country, and with certainty, and that is an appeal for an amendment of the Constitution. If this Constitution gives powers to another place which results in a power being given to a minority of the people equal to that given to the majority, that I say is an inherent defect of the Constitution, which can be remedied only by an appeal to the people under the provisions set down in the Constitution.

Mr. HIGGINS (Northern Melbourne).—I should like to bring the matter nearer to the concrete. The debate has taken a wide range, and the matter has been discussed with a due sense of the importance of the crisis.

Mr. WILKS.—But is there a crisis? That is the point.

Mr. HIGGINS.—After all, what has happened is that we have declined to accept certain requests of the Senate, and that the Senate has again sent a Message to us which states that it again requests this House to make the amendments originally requested. The essence of the question is that they are making the same requests a second time. It is a very different thing for a House to have the power to make the same requests a second time, or for the same House to have to forge or devise a new request which it would have to justify to the country, explaining why it did not make the request before. But the power to renew the same request a second time, a third time, and *ad infinitum*, is a very much graver power than the power to make a new request which did not occur to the Senate in the first instance. The Government proposal is—

That having regard to the fact that the public welfare demands the early enactment of a Federal Tariff, and pending the adoption of joint standing orders, this House refrains from the determination of its constitutional rights and obligations in respect of this Message, and resolves to receive and consider it forthwith.

That proposal will be officially known only to ourselves. That resolution is not to be communicated to the other House, as by

way of protest, and all that the other House will see will be that they have again requested some alterations, perhaps I should not say amendments, and that we have dealt with their repeated requests. If the motion proposed by the Government is carried, I should suggest that, to have any weight whatever, this protest ought to be incorporated with any Message which we send. There is nothing in the standing orders to prevent that, and if one man or one body protests to another man or another body, the proper way is to express the protest. I hope Ministers from their own point of view, if they desire to keep alive the protest, will incorporate with it the Message which we shall send. Of course, there is a difficulty as to the interpretation of this section of the Constitution. There are several means of explaining it, but I desire to remind the House that this is a matter which no High Court or any other court can settle. It is a matter which will be settled by the practice of the House, and the first step is therefore the most important step. I say it is idle to assure the House that this will never recur. What we know perfectly well is that when there is any measure upon which there is a difference of opinion, the Senate will exercise the same power again, and the experience of the two Houses of the United States is that the Senate always, as in this case, though it has not the power of originating Money Bills, Appropriation Bills, or Ways and Means Bills, keeps them strung on until the end of the session, and then it says to the House of Representatives—“You must accept our amendments or you will have no means of carrying on the government of the country.”

Mr. O'MALLEY.—Hear, hear; it bullies the House of Representatives.

Mr. HIGGINS.—It bullies the House of Representatives, that is quite true; and every constitutional authority admits that although the other House originates the measures, the Senate has superior weight in money matters.

Mr. GLYNN.—It can be dissolved.

Mr. HIGGINS.—Ministers can dissolve this House, but they cannot dissolve the other House unless there is a double dissolution, which would only occur once in a “blue moon.” There is power to dissolve this House, but not power to dissolve the other House. I say it is an unhealthy state of

politics that we have to face a position in which no less than two-thirds of the Senate represent less than one-third of the population of Australia, and that half of the Senate represent less than a fourth of the population of Australia.

Mr. WILKS.—That is a weakness of the Constitution.

Mr. HIGGINS.—It is a weakness of the Constitution.

Mr. SYDNEY SMITH.—It was pointed out at the time of the referendum, but a great many supporters of the Bill contended that there was no danger.

Mr. HIGGINS.—After all, Government is finance, and finance is Government, in some respects. We have this state of affairs—that one-third of the taxes goes with two-thirds of the power to spend taxes. What I mean is, that in that House, if honorable members will take it that taxes are pretty evenly contributed according to population, we shall find that those people who contribute only one-third of the taxation have a House in which they control two-thirds of the members. Of course the result will be very nice when we come to try to adjust finances, and when the men, who will be voting for the appropriation of public money, feel that the burden will fall chiefly upon the people represented by a minority of the members of the Senate. I must say that on this matter I have felt in a curious position. I have felt some grim amusement with regard to it. I feel that a prophecy of mine is coming true much more quickly than I expected.

Mr. SYDNEY SMITH.—We quoted the honorable and learned member very often in New South Wales upon this point.

Mr. HIGGINS.—I must say that I did not expect to see so quick a fulfilment of my prophecy, and I did not think that so quickly the Senate would be able to show its superior financial power. Of course, I urged throughout that there was no practical difference in the result between requests and amendments. I still adhere to that view, and I think it is practically proved that we were right in urging that there was no substantial difference. It is not so with regard to the representations made by those who advocated the Bill. I find, for instance, that the right honorable member for East Sydney, who advocated the Bill so strongly, and to whose advocacy I apprehend the

passing of the Bill in New South Wales was due, said at Bathurst—

The House of Representatives would be the House that would shape every line of the Tariff—

It does not look like it.

that would shape every item on the annual Appropriation Bill. It would hold the Ministry in the hollow of its hand, and would control the Executive power of the Commonwealth from day to day. If the Senate passed a vote of censure, nobody would be any the worse. If the House of Representatives passed a vote of censure, the Ministry it destroyed would have to apply to the people to decide.

Mr. THOMAS.—Was that his "Yes" speech or his "No" speech.

Mr. HIGGINS.—That was the voice heard at Bathurst, when the federal capital was looming ahead. With respect to the words "at any stage" in the section of the Constitution referred to, I am told that honorable members have been reminded that I moved in the Convention that these words should be struck out, upon the ground that they would lead to this confusion. The leader of the Convention, the present Prime Minister of the Commonwealth, admitted that the Senate might make new requests from stage to stage. I felt the danger of it, and I moved the omission of those words, but I got no support from my honorable friends here and there, who now point out the enormity of what is being done. At the referendum in Victoria and in New South Wales I was frequently confronted with the statement that the Senate would be able to make only requests, and that if we did not accept them, we should put the responsibility upon them. It is admitted that the whole object of this section was to compel the Senate to take the alternative of the acceptance or rejection of a Bill, and to prevent them from stringing the matter on for an inordinate length of time. Now that object is to be defeated because they may not only make new requests, but prefer the same requests a second, third, or fourth time. Moreover, they may put upon this House the responsibility of accepting or rejecting the Bill. That was not the intention of the Constitution, but there is no doubt a good deal of ground for the contention that the words "at any stage" mean that the Senate may make new requests. That was debatable ground. By their action in this case the Senate have not only occupied that debatable ground between the two Houses, but they have

advanced into the distinct territory of this Chamber, and have imported into the practice of the two Houses the right of repeating requests. It does not require a legally trained mind to see that there is nothing whatever in this section of the Constitution to give the Senate the right to repeat a request. It is stated that the Senate may, "at any stage," make a request, and that we may accept or reject it, or accept it with modifications. It has often been said that the South Australian practice affords justification for this provision. I think some honorable members from South Australia are inclined to look with favour on what is being done, not only because it would favour their fiscal views, but because of the fact that they have an arrangement of long standing between the two branches of the State Legislature. The arrangement there, however, is very different from that which is here provided for. There, only one request can be made, and then a Bill must be either accepted or rejected. The compact reads as follows:—

That it shall be competent to the Council to suggest any alterations in any such Bill (except that portion of the Appropriation Bill that provides for the ordinary annual expenses of the Government), and in case of such suggestions not being agreed to by the House of Assembly such Bills may be returned by the House of Assembly to this Council for reconsideration; in which case the Bill shall either be assented to or rejected by this Council as originally passed by the House of Assembly.

There is a perfectly clear provision that if the one request is not assented to the Council shall face the necessity of accepting or rejecting the measure. That is the agreement which was introduced to our notice at the Convention by Sir Richard Baker. I know that it is not in order to refer to what has taken place in another Chamber, but fortunately we have distributed amongst us copies of the journals of the Senate, and I may be permitted to say that the form in which the Message now comes to us from the Senate is due to a mistake in the way in which the Government submitted our resolutions to the Senate. In each case the question was put—"That the Senate do not press its request." The result was that each particular request was dealt with on its merits. If the Government had strictly followed the Constitution, and had simply stated that the House of Representatives had dealt with the requests of the Senate, and that it was for the Senate to accept or reject the Bill, or to make new

requests, the burden of responsibility would have been on the majority in the Senate who oppose the Government, to make new requests or to reject or accept the Bill. I know to my sorrow that a matter of this kind is not one to arouse any direct enthusiasm or excitement. There is a tendency to look at the immediate results and not at the final consequences. I know also that a number of members who regard it as of the utmost importance to reduce duties from 15 per cent. to 10 or 12½ per cent., consider that it would be better to help the Senate on this occasion, without regard to the fact that the tables may some day be turned upon themselves, and that their majority in this House may be thwarted by a hostile majority in the Senate. There is a tendency to take a narrow view of the immediate exigencies of the Tariff discussion; and I am sorry to say this, because the issue before us is one which transcends the Tariff in all its phases. No doubt, the Tariff is exceedingly important; but it does not compare in that regard with the issue with which we are now called upon to deal. The matter is one affecting the rights of the people of Australia to direct, by their majorities, the policy of the country on all national subjects. The effect of the section of the Constitution to which we have been referring, as it stands, would be accentuated by the course now proposed by the Government, and we should shift the centre of gravity under the Constitution from its proper place—the majority—to the minority of the people. We might have two progressive Houses, but this device would effectually prevent the progressive forces from having their way if the reactionary forces could only manage to get the majorities grouped in such fashion that one would fight the other. All that the reactionaries would have to do would be to divide the opposing forces, and conquer them. I can see plainly that we shall remove the political power from the physical force of numbers, and that is always a danger, because the political power should rest with the preponderating physical power—the majority in every case.

Mr. CONROY.—The honorable and learned member pointed that out when he was opposing federation three years ago.

Mr. HIGGINS.—I am afraid that I may be repeating myself, but I may be pardoned, because I feel just as strongly

now as I did then. The provision in section 53 is one of the devices by which the reactionary forces could circumvent the progressive forces. All that they would have to do would be to work up a quarrel between the people grouped behind different members. We created a so-called States House for the protection of the minor States against the larger members of the union, but this is not an issue as between one set of States and another. The divergences of opinion have been very much the same all through, and the greatest State—New South Wales—has returned the largest majority of revenue tariffists to the Senate. This shows clearly that there was no need for any States House for the purpose of protecting the smaller States against the others. As matters have worked out, an honorable member from Western Australia really possesses eight times the influence that a member from New South Wales can exercise.

Mr. MAHON.—Is not that one of the reasons why Western Australia joined the federation?

Mr. HIGGINS.—No. So far as I am able to judge the question at the federal elections in Western Australia was one between the farmers on the one side, and the miners on the other, and I do not think that federation was discussed in that State on the same lines as in the eastern States. I regret that the Government could not see its way at this stage to respectfully send word to the Senate that there was nothing in the Constitution which would justify their repeating the requests made in the first instance. Then if there were any difference of opinion with regard to the powers of the Senate, that would be the proper time at which to discuss the constitutional question. The time has not yet arrived for compromise, but it is for us now to assert our rights. The first time our rights come into question was when this message was received by us, and it is at this stage that we should say that the Senate has no power to repeat its original requests. It is not for me to presume to say how the Senate would deal with the Bill under such conditions, but there might eventually be some proposal for a compromise.

Mr. GLYNN.—How could there be any compromise after we had adopted the course suggested by the honorable and learned member?

Mr. HIGGINS.—Surely the honorable and learned member can see that a compromise might be arranged.

Mr. GLYNN.—Not unless we begin *de novo*.

Mr. HIGGINS.—I have in my mind several means by which a compromise could be effected, but I will not presume to dictate to the Senate on that point. The honorable member, with his experience of Parliament, must see how it could be done. Our present duty is to assert our rights, and, having asserted them, to let events take their course; but I am very much afraid that the weak and flabby resolution proposed by the Government will be passed. It is my intention to vote against it as it stands, because I do not regard this as the time at which we should make any such statement. We ought not to give up the fort before we have intimated to the Senate that we hold it. At the same time, I ask the Attorney-General, upon whose shoulders a very grave responsibility rests, if he will allow the following words to be added to the motion:—"And that this resolution be included in any Message sent to the Senate"?

Mr. DEAKIN.—Would that remove the honorable and learned member's objection to it?

Mr. HIGGINS.—To a large extent it would. My opinion, is that in order to effectually enter a protest we must express it.

Mr. SAWERS (New England).—Such a strong and almost unanimous feeling has been expressed against the right of the Senate to transmit to this House a second Message requesting amendments in the Tariff, that it appears to me that, if the Attorney-General had not submitted a motion of this character, we should now be involved in a very serious crisis. Even the honorable gentleman indicated—and I suppose he speaks for his colleagues as well—that he does not indorse the claim put forward by the Senate.

Mr. DEAKIN.—I do not admit anything at present.

Mr. SAWERS.—The honorable gentleman has evaded the position by tabling what is a very justifiable and prudent motion, in view of the tremendous issues at stake. The honorable member for Bland, the honorable member for Indi, the honorable member for Bendigo, and several other influential members, have taken up a very strong attitude

against the claim of the Senate. The leader of the labour party and the honorable member for Laanecoorie declared that for years they had fought for the rights of the popular House in the State Legislature, but I venture to submit that the old disputes between Legislative Assemblies and Legislative Councils in the different States have no bearing whatever upon this question. We are confined to the four corners of the Constitution itself. I quite admit that that Constitution may be differently interpreted by conscientious and able men. The honorable and learned member for Bendigo was very forcible in denouncing the claim of the Senate to make a second series of requests, and the honorable and learned member for Indi took up a similar position. After listening to their speeches, it appears to me that the whole question is dependent upon the interpretation of the final paragraph of section 53 of the Constitution, which states that—

The Senate may, at any stage, return to the House of Representatives any proposed law which the Senate may not amend, requesting, by Message, the omission or amendment of any items or provisions therein.

The whole position, apparently, turns on the definition of the words, "at any stage." I hold that this is not the same stage that the Bill had reached when it last claimed our attention. What are the stages of a Bill? To my mind, there are the first reading, the second reading, committee, and the third reading stages. What will constitute another stage?

Mr. ISAACS.—A different step in regard to the Bill.

Mr. SAWERS.—I ask the honorable and learned member whether he considers that before the Senate can return the Bill a second time, it should agree to its third reading. Let us assume that the Senate requests this House to make 50 amendments, and that we agree to accept half of them, either with or without modifications. The measure is then returned to the Senate, which considers our amendments, and sends it back with further requests. In such circumstances, I maintain that it is strictly constitutional for this House to consider those requests. I admit that finality must be reached sooner or later. If this House were to refuse all the requests contained in the Message from the other Chamber, finality would be reached. But if we agree to half the requested amendments, the Senate is still in a position to send

down further modified requests. The honorable and learned member for Northern Melbourne has referred to the fact that in the Convention he moved to omit the words "at any stage." He asked what was their meaning, whereupon Sir Edmund Barton said—

As I understand it, the proposal is that the Senate may, at any stage of the passage of a proposed law through the Senate, return the Bill to the House of Representatives with a message requesting the amendment or omission of any items or provisions therefrom.

Mr. KINGSTON.—As long as the Senate has possession of the Bill?

Mr. BARTON.—Yes, as long as the Bill is in the hands of the Senate. That means, I take it, a power not solely to send a Bill down at a stage at which the measure has, at the moment, arrived at, but that if it arrives at a further stage in the Senate, there being in the meantime some settlement or no settlement with regard to the suggestion made, that the Senate would have power to make other suggestions.

The honorable and learned member for Northern Melbourne spoke of the requests which are now before us as "the same old requests." I submit that "they are not the "same old requests." This House accepted a certain number of the original requests of the Senate, and sent a Message to it to that effect. The other Chamber has withdrawn some of those requests and has modified others. They cannot, therefore, be the same requests. Without quoting further from the Convention debates, I may mention that the amendment proposed by the honorable and learned member for Northern Melbourne was rejected without division. Evidently, therefore, the Convention had no wish to deny to the Senate the power of sending down a second Message. I venture to say that the majority of the people of Australia would interpret section 53 of the Constitution in the common-sense way that I have interpreted it. I decline to allow my judgment to be warped by the fine distinctions which have been drawn by some members of the legal profession. It is an unfortunate circumstance that the opinions of legal gentlemen very rarely agree. I will undertake to say that in the other Chamber just as eminent members of the legal profession as have addressed the House to-day will be found arguing this question from quite an opposite stand-point. When lawyers differ, the layman must adopt what appears to him to be a common-sense view. My opinion in regard to this matter is strengthened by the knowledge that this question

constituted one of the great snags in the way of federation when the referendum was taken in New South Wales. The question of equal States rights was bitterly fought, and it was carried in the affirmative on the clear understanding that the power of suggestion should be given to the Senate. All we can do now is to stick to the bargain. If we are dissatisfied, we ought to obtain an amendment of the Constitution, but so long as the Constitution, for good or evil, remains as it is, I shall be faithful to it. I regret that the Government have found it necessary to come down with this motion. I am disappointed they could not see their way to simply move the House into committee to consider the message, thus acknowledging at once that the power of making further requests had been given to the Senate.

Mr. SPEAKER.—I have received the following amendment from the honorable and learned member for Northern Melbourne, which he claims to have moved at the conclusion of his speech just now—

That the motion be amended by the addition of the following words:—"And that this resolution be incorporated with the Message to be sent to the Senate."

I did not understand the honorable and learned member to move that amendment. If I had so understood him, I should have pointed out that it anticipates a stage which will arise later on, when it will be necessary to move that a certain Message be sent to the Senate. When that Message is moved it will be competent to move the amendment, but that stage cannot be anticipated, and, therefore, I cannot accept the amendment.

Mr. THOMAS (Barrier). — I listened with a good deal of interest but a certain amount of amazement to the speech of the honorable and learned member for Northern Melbourne. With much of what the honorable and learned member said I am heartily in accord, though those portions with which I agree are out of place to-day. The honorable and learned member told us that he does not see the necessity for the Senate, and that it was not wise to provide in the Constitution for a second Chamber. In that I absolutely agree; but it is not the question we are now discussing. What we have now to consider is whether the Senate has the right to send down requests once, twice, or thrice—whether the Government are right in submitting the motion, and whether we should discuss

the requests which have come to us for a second time? In a book entitled *The Australian Commonwealth Bill*, and consisting of essays and addresses by Mr. H. B. Higgins, who, I suppose, is the honorable and learned member for Northern Melbourne, we find the following:—

In this Bill (section 53) you will find words to the effect that the Senate may not amend the principal Money Bills—Bills imposing taxation and Bills appropriating revenue for the "ordinary annual services of the Government." But if you look a little further on, you will find that the Senate can "request" amendments, and can keep on "requesting" as often as it likes. The Senate can send down "requests" at any stage. I say there is no material difference between the Senate proposing amendments to the House, and requesting amendments to the House.

Mr. HIGGINS.—I say so still.

Mr. THOMAS.—The honorable and learned member said something very different just now. The extract continues—

Calling it a different name does not alter the true nature of the thing.

Mr. HIGGINS.—Does the honorable member understand the difference between repeating the same request, and making requests *ad infinitum*?

Mr. THOMAS.—That is rather a quibble, I think. These addresses were made when the honorable and learned member was, like myself, opposing the Constitution Bill. The reason I opposed the Bill was that I believed the Senate had the right to the power which is now claimed, and it was a keen disappointment to me that the democracy of Australia should accept a Constitution giving them such a power. I voted against the Constitution Bill on two occasions, and in doing so imperilled my seat in a State Parliament as the representative of a border city, the population of which consisted mainly of South Australians and Victorians. The address proceeds—

But as if we had not enough difficulties already to face, this Bill throws an apple of perpetual discord between the two Houses. This precious distinction between "requests" and "amendments" will lead to continual friction between the two Houses in Appropriation Bills.

Mr. HIGGINS.—I say so still.

Mr. THOMAS.—Then I wish the honorable and learned member had stuck to those sentiments just now. The book also contains three articles, contributed in 1898 by the honorable and learned member to the *Sydney Daily Telegraph*, from which I take this sentence—

The Senate can "request" amendments at any stage—not once, but as often as it likes.

It seems very peculiar that the honorable and learned member should, when opposing the Bill, make such statements, and then come here and say that the Government ought to take a different course.

Mr. HIGGINS.—I have not changed my ground one inch. I say that the Senate can make new requests, but cannot repeat requests.

Mr. THOMAS.—No doubt there is a great deal of difference between speaking before an ordinary crowd, and before Judges of the bench, where hair-splitting may be indulged in.

Mr. HIGGINS.—There is no hair-splitting in saying that there is a difference between an old hat and a new one.

Mr. THOMAS.—If the Senate has no right to make a request more than once, then a large number of us unwittingly misled the people of New South Wales; but we did so on the authority of eminent lawyers, such as the honorable and learned member. If the case be as stated, it appears to me there ought to be no question about carrying the motion. Indeed it ought not to be necessary for the Government to submit the motion; the procedure ought to follow as a matter of course. What did the smaller States believe, or think this part of the Constitution means? We must discuss this matter not only from the stand-point of the bigger States, but also from the stand-point of the smaller States. I have here an extract from an article in the *Adelaide Advertiser*, which says—

That the States in this Chamber should be equally represented is a principle not likely to be seriously contested at the Convention, but there is a distinct risk of refusal by the more populous colonies to admit the principle of equality in respect of the powers of the two Houses. As to that we cannot budge. If even we had to compromise to the extent of making the Federal Executive responsible only to the population Chamber—a point which Sir John Downer is altogether unwilling to concede—at any rate we could not stretch complaisance so far, nor imperil State rights so deeply, as to submit to an inferior legislative status for the Senate. We must have the substance; we cannot except the shadow. Dr. Quick, speaking at Bendigo the other day, said there should be one exception to the law of equal power in Federal Houses—that the Council of the States should not have the right to initiate or amend money Bills. Dr. Quick is the real author of the present movement, and his recent speech was in almost all respects liberal and statesmanlike. But on this question, as the *Argus* shows him, he has gone fatally astray. The refusal of equality in finance upsets the principle altogether. The most important measures which will come before the

Council will be Money Bills, and if State rights are not to be recognised in respect of these, the recognition in other respects will be of little or no value.

Mr. ISAACS.—What date was that?

Mr. THOMAS.—In 1897, before the Convention.

Mr. ISAACS.—How can that throw any light on what the Convention did afterwards?

Mr. THOMAS.—I am endeavouring to show what the smaller States wanted. Most of us who opposed federation did so because we strongly believed there ought to be only one Federal House, but we were told again and again that there was no chance of federation without a second Chamber—that the smaller States would not join the union unless States rights were thus guaranteed. The leading newspapers in the smaller States accepted the Bill, and they would not have done so unless they were satisfied that to all intents and purposes they had got what they wanted in this respect. It would be unfair to ask the smaller States to come in on the basis of equal representation, and then afterwards get half-a-dozen lawyers to find out that that advantage had not been conferred. I was prepared to wait for federation for a good many years rather than give up the principle of one Chamber, and had it depended on my vote there would have been no federation under the present Constitution. But the Constitution was carried by the democracy of Australia, at a referendum based on the most liberal franchise, and it is now our duty, as far as possible, to carry that Constitution into effect. I do not speak as a South Australian, but I may say that whilst the Constitution Bill was before the people, it was necessary for me, as one of the State representatives of Broken Hill, to frequently pass through Adelaide, in my journeyings between my constituency and Sydney. All those I came across then were of opinion that the Senate had, practically, equal rights with the House of Representatives in matters of finance. We have given them the shadow and taken away from them the substance if it is now found to be otherwise. So to-day it is not with me a matter of free-trade or protection. I am not particularly bothered about whether certain duties should be 15 or 10 per cent. I think there is something in fighting upon the question whether there should be no duty or a duty of 15 per cent. It might

be worth while to take one's jacket off over that. But whether the duty should be 15 or 10 or 12½ per cent. or 7 or 8, instead of 9 or 10 per cent., is not a matter which I personally would be prepared to break my neck over. I say that supposing that this House had passed the Tariff on lines of free-trade, and the Senate had modified and altered it to such an extent as to make it a protectionist Tariff, I would still hold that we must receive again and again their Message; but I would probably after receiving their requests vote against them. We are bound by the Constitution, as it was interpreted by the people of Australia who accepted it, to pass the motion submitted by the Ministry, and to deal with the requests of the Senate as they come before us. As I said just now, I am against the Senate. I should be delighted at any time if a responsible Government or any one else started a movement to do away with the Senate altogether, upon the legitimate lines for its amendment laid down in the Constitution, to give a vote at any time to do away with the Senate. But as it is constituted to-day, I am not prepared to play falsely with the small States. We have got them into the federation on the understanding that the Senate is their Chamber to protect their interests, and I for one am prepared to abide loyally by the compact which we made.

Mr. V. L. SOLOMON (South Australia).—I must first of all thank the Acting Prime Minister for his very able and lucid speech. I may say at once that I intend to support the Government. I think it is necessary that I should give a few of my reasons for that support. We have had some very able speeches from what is termed the "legal corner" with regard to the position under our Constitution. But it seems to me, in spite of all the opinions expressed from that side to the contrary, the meaning of the particular sub-section of section 53 of the Constitution which has been referred to is still very largely open to discussion. The honorable and learned member for Indi argued that the words "at any stage" contained in that subsection refer solely to the stages of a Bill as understood in all ordinary Parliamentary procedure, and as laid down in *May*. I say at once that the stages of a Bill are matters which it is fully within the power of this House and of the other House to determine. I do not believe that it

was intended in this subsection that the words, "at any stage," should refer to our ordinary parliamentary acceptance of the term, as meaning the first, second, and third reading, or committee stage, of a Bill. If we are to admit that that is the reference, then I say that the committee stage is not one stage, but a series of stages; and as often as we go out of committee, and into the House, so often we create a new stage in the process of carrying the Bill.

Mr. ISAACS.—A sort of treadmill process.

Mr. V. L. SOLOMON.—As often as a Bill is recommitted or referred from the House to the committee, passing between separate bodies that have nothing to do with each others proceedings, we establish a new stage. Now, as to the right of the Senate to make more than one suggestion, the honorable and learned members for Indi and Corinella, and one or two others, have argued that the right of the Senate was exhausted when they submitted their first requests, because they had made them at the completion of the Bill, and that there was no other stage possible.

Mr. ISAACS.—Oh, no.

Mr. V. L. SOLOMON.—If the honorable and learned member admits that there is another stage possible, he at once cuts the ground from under his own feet, and agrees that there is another stage at which the Senate may offer suggestions, as they do now.

Mr. ISAACS.—Yes; but not the same suggestions.

Mr. V. L. SOLOMON.—I understand that the honorable and learned member argued not only in regard to the same suggestions, but with respect to all suggestions.

Mr. ISAACS.—The honorable member misunderstood me.

Mr. V. L. SOLOMON.—Does the honorable and learned member admit now that the Senate still has the right to offer new suggestions, even though one stage of the measure has been exhausted?

Mr. ISAACS.—At a new stage I think probably they have the right to make new suggestions.

Mr. V. L. SOLOMON.—I should like to point out what I consider the difference in the stages. The moment the suggestions of the Senate are placed before this House, and then referred to the committee for consideration, a new stage is established, even in this House, in regard to the Bill. We

passed the whole of the stages of the Bill, according to *May*, and according to the ordinary parliamentary interpretation, because we passed the first, second, and third readings, and the committee stage, and sent the Bill on to the Senate. I ask honorable members whether we do not establish a new stage when the suggestions of the Senate are brought to this House, and are referred by this House to the Committee of the whole? Undoubtedly we do. If the Senate had not still the right of making suggestions and even new suggestions, I ask the close attention of legal members to the interpretation of the 4th sub-section of section 53. In order to emphasize the point, I shall read the sub-section as it stands—

The Senate may at any stage return to the House of Representatives any proposed law which the Senate may not amend, requesting by message the omission or amendment of any items or provisions therein, and the House of Representatives may, if it thinks fit, make any of such omissions or amendments with or without modifications.

That was done. We received from the Senate a message containing a series of suggestions or requests which we considered, and we returned a message to the Senate on the 20th August, pointing out that we had accepted certain requests as to part, that we had made other amendments entirely as requested, and that with respect to a number of other requests we had made the amendments requested as to part and with various modifications. Now, if the Senate's power of suggestion and a further message has been exhausted, how can any honorable member of this House say that there is any possibility of live legislation if we decline to permit the Senate to reconsider their message with the modifications we sent to them—modifications which must and did include in many instances new matter and new suggestions, and new rates of duty? It must stand to reason that if we admit that they had the right to reconsider their suggestions in the light of the modifications that we sent to them, they must have the right to send us a message to say what they have done with them. That is exactly what they have done. We admit that under our Constitution we have sent them certain messages, in reply to their suggestion, not agreeing to them in some instances, and saying that with respect to the rest we entirely disagree with them, but agreeing to a certain number, agreeing

in part to others, and agreeing to others again with certain modifications. But, when their message comes back here, some members of this House say—"Let us decline to receive their message altogether." This is a message which must contain their decision upon the new matter which we ourselves introduced to them in the message recently sent. That is a view of the position which I do not think has been considered before, and which does not appear to have suggested itself to some honorable members. Now, between the right to amend and the right to suggest, I think there is a very wide difference. The right to amend some Bills given to Legislative Councils in, I think, all the State Parliaments, is an absolute right by which the Legislative Council can return a Bill with clauses struck out, clauses amended, and new clauses inserted. They can insist that their new clauses shall be inserted, and if they are not inserted, they can decline to pass the Bill, throwing the responsibility of declining to agree to the amendments upon the other branch of the Legislature, and giving them only the option of casting the Bill on one side, or coming to some terms, or some compromise by means of conferences, and so forth, which is generally done with happy and satisfactory results. But, in this case, we are dealing with a right which was fought for very strongly in the Federal Convention, and a right for which I voted, because I believe, in spite of what has been said about the democracy, that it is in the best interests of the democracy, and of the whole people of Australia, to have a strong Senate. Certainly the best interests of the smaller States, which would not have come into the federation but for the understanding that there would be a strong Senate, will be served by maintaining the power of a fairly strong Senate. The members of the Senate are not elected as members of this House are elected in many States, by small constituencies, with small ideas of their own interests and industries, but they are elected in each State by the whole of the people of the State to represent the whole State. Under our new electoral law, and even under the law which has been in existence in some of the States, the representatives elected to the Senate have been returned by the votes, not only of the manhood, but of the womanhood of the whole State. There is a vast difference between conferring large powers

upon such a body, and widening the functions of the Legislative Councils to a similar degree. In many cases, the Upper Houses of the States are elected by voters who must possess high property qualifications; in some cases the members are nominated by the Government in power, and in nearly every case the circumstances under which the House is constituted are very unsatisfactory to the great bulk of the people. The Senate, however, consists of men returned by the whole of the electors of each State, and they owe allegiance not to any small parties, or factions, or groups of faddists, but to the whole of the people, whose best interests they are sent into the Senate to protect. When the members of the Senate were given the power to suggest alterations even in Money Bills, it was recognised that an attempt was being made to protect the smaller States against encroachments upon their rights by the larger States. It was intended by this means to guard against any possible chance of a combination amongst the larger States which have such a strong numerical representation in this branch of the Legislature, with the object, for instance, of floating a large loan of £10,000,000, £20,000,000 or £30,000,000 for the purpose of carrying on extensive defence works in Port Jackson or Hobson's Bay. In such a case the smaller States would have to pay their share, even though they might strain their resources to the verge of insolvency. The smaller States insisted that the Senate should have powers as nearly as possible co-ordinate with those exercised by the House of Representatives, and certainly that they should be in a position to prevent themselves from being over-ridden. There is a great difference between the power of suggestion and that of amendment. As I pointed out just now, the power of amendment throws upon a Government originating a Bill the responsibility of deciding the fate of the measure. But the power of suggestion places us in an entirely different position. If we consented to consider the Senate's Message, we should not exhaust our rights. So far as I am concerned, I should welcome even two or three more Messages from the Senate if the result were to give us a Tariff which would represent a compromise between the views of all sections of the two Houses. We know of the confusion which exists in commercial circles, and of the difficulties with which businessmen

have to contend, owing to the uncertainty now prevailing. During this time of general depression through all Australia, when the cost of the Federal Parliament is being somewhat severely felt, and when the people in the various States are being taxed to the utmost, we should be deservedly cursed by the people of Australia if we were to disregard the labours of the last twelve months, and throw the whole of our finances into a state of chaos. If we returned the Bill to the Senate, after considering their requests, and acceding to some, whilst possibly leaving others to be dealt with as a matter of further compromise, the Senate would be quite satisfied with our courteous treatment, and we should at last reach the end of our present arduous labours, and bring to a close that period of trouble which has been found so irksome by business men. Supposing the Senate again returned the Bill to us, it would be quite within our power to say that we did not intend to give any further consideration to their requests.

Mr. CROUCH.—The honorable member said that he would welcome several other Messages.

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Mr. McCAY.—The High Court would have nothing to do with this section of the Constitution.

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Mr. CROUCH (Corio).—I think that all Government supporters who are prepared to vote against the motion should express their convictions, as it is important that in a first step of so vital a nature, those who vote against the Government should make no uncertain sound. I do not think I can add much to the weighty words which have fallen from the honorable and learned member for Northern Melbourne, the honorable and learned member for Corinella, and the honorable and learned member for Indi, who

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Mr. V. L. SOLOMON.—The experience gained in connexion with the United States Constitution shows that their Supreme Court has been called upon to interpret the Constitution in cases where difficulties have occurred in the settlement of guiding principles and where differences have arisen between the States.

Mr. McCAY.—The sections of the Constitution containing the words "proposed law" are beyond the jurisdiction of the High Court.

Mr. V. L. SOLOMON.—I am satisfied, at all events, that there is a good deal of room for argument as to the meaning of the words "at any stage." I am sure that it was never intended that these words should limit the Senate to the sending of a Message at any one stage of a Bill, or to the sending of one Message at any particular stage. The word "stage" is not to be construed as bearing the same meaning here as where it is employed in *May* in reference to Parliamentary procedure. The words "at any stage" in this case mean "at any time." It was suggested when we were considering this section at the Convention that we should follow the lines of the South Australian practice, but, for obvious reasons, that was not regarded as sufficiently liberal. We were not prepared to accept a provision that at only one stage should the Senate have the right to make a suggestion. It was, therefore, provided that at any stage—at any time whilst a Bill was under consideration—the Senate should have the right to make requests. I shall give the Government my support, because I feel that we shall not be sacrificing any of our privileges or taking any step which we should not be in a position to retrace to-morrow, or the next day, or at any future time.

Mr. CROUCH (Corio).—I think that all Government supporters who are prepared to vote against the motion should express their convictions, as it is important that in a first step of so vital a nature, those who vote against the Government should make no uncertain sound. I do not think I can add much to the weighty words which have fallen from the honorable and learned member for Northern Melbourne, the honorable and learned member for Corinella, and the honorable and learned member for Indi, who

have enlightened the House very considerably, not only as to the legal, but as to the constitutional position. I sympathize with the Acting Prime Minister in the difficulties which he has had to face, and which have impelled him to adopt a course which although supported by considerations of expediency, may imperil the rights of this House.

Mr. JOSEPH COOK.—Why does the honorable and learned gentleman suggest that our rights may be imperilled?

Mr. CROUCH.—The resolution itself, and the statement accompanying it, show that the Minister does not wish the action taken in this case to be regarded as a precedent, and it is reasonable to conclude, therefore, that he regarded it as dangerous. I am sorry that some members of the Opposition are not supporting us. I feel the greater regret because I find that all those who have spoken against the Government proposal are members of the protectionist party.

Mr. JOSEPH COOK.—That is worth noting.

Mr. CROUCH. — Yes; it is worth noting, because this is now a party question, and it is regrettable that the Opposition will sink the interests of the people in order to secure a mere fiscal triumph. I may mention that my sympathies and the interests of my constituents would have led me to support three of the requests of the Senate, but I am not viewing this matter from a party point of view. The members of the Opposition should not view it from a party stand-point either, as they profess to believe that if a dissolution were to take place they would be able to sweep Australia clear of all the protectionist members of this House, but those honorable members on the protectionist side who are opposing the Government in this matter show that they are ready to face the chances of a dissolution, not that they want it, but in the interests of the democracy, which this House represents. I take it that the Government have climbed down almost before they were shot at. I think that before taking such action we should have returned this Message to the Senate to ascertain if it persists in the position which it has assumed. If it did, there would have been time enough then to consider the expediency of making a compromise. The proposal to receive its message at the present stage, even at the sacrifice of our constitutional rights, is not calculated to induce the

Senate to take a proper view of its position in the future. If we have no regard for the rights of this House, we should certainly endeavour to conserve the rights of the people. In speaking just now, the honorable member for South Australia, Mr. V. L. Solomon, implied that we were quibbling about the rights of this Chamber. Nothing of the sort. It is the people's rights that we are protecting, and I consider that upon a question like this we ought to support the democracy of the future rather than the areas represented by the other House. We are really sacrificing that for which our forefathers fought for many years. In connexion with almost a similar movement they faced a civil war. Rather than imperil democratic rights, I would rather have no Tariff. Such a misfortune would be temporary. Our action to-night creates a permanent precedent. However, I shall content myself with having entered my protest against the proposal of the Government. There are various ways in which a protest can be recorded. I have looked up *May*, and I find that whenever the Commons protest against the encroachment upon their privileges by the Lords, they enter it upon the journals of the House. The Lords have done precisely the same thing. We might go still further. Our rights are set out in a written Constitution, and I think that even the Attorney-General's opinion is that the Senate in this connexion has overstepped its powers. It is of no use doing a thing "without prejudice," unless it is so communicated to the other party, and I should, therefore, like to see a very strong protest recorded, by incorporating in the Message, when it is returned to the Senate, the amendment foreshadowed by the honorable and learned member for Northern Melbourne. We should clearly set out that we have considered only the matter under the exceptional circumstances existing, and without prejudice to the rights of this House.

Mr. WILKS (Dalley). — Since three o'clock this afternoon the House has had as much constitutional argument to the square inch as it will require for many years to come. The honorable and learned member for Corio opened his remarks by declaring that the acceptance of the Government proposal would imperil the rights of this House, and of the people. But to my mind the point at issue is whether or not we ought to

receive the Senate's message. The debate originated in the question which was put to Mr. Speaker by the honorable member for Melbourne Ports, who desired to know whether this House had the power to receive the message in question. Mr. Speaker's answer was that owing to an ambiguity in section 53 of the Constitution, and the absence of joint standing orders, he was prevented from giving a ruling upon the point.

Mr. JOSEPH COOK.—Has the honorable member formed any opinion as to why all these constitutional objections have been raised by high Tariffists?

Mr. WILKS.—The only opinion which I can form is founded upon the admission of the honorable and learned member for Corio. He marvelled because all the constitutionalists who apprehend an invasion of our rights and privileges, are Victorian representatives. I think that most of their objections are more fiscal than constitutional. I am of opinion that if the requests of the Senate had been in the direction of increased duties we should have heard little about the constitutional aspect of the question. I would further point out that all the legal members of the House who have spoken differ in their interpretation of the Constitution in regard to the power of the Senate to again request amendments.

Mr. JOSEPH COOK.—But they are all dying for a fight.

Mr. WILKS.—Yes. The Attorney-General when addressing the House did not admit that when the proper time arrived, he was prepared to surrender any tittle of the power of this House. No surrender is suggested. The Tariff issue he said had been fought out. After twelve months of labour we had almost reached finality in regard to it, and he did not intend, by confusing the fiscal question with the constitutional, to provoke a struggle with the other House, when the question at issue could not be properly placed before the people of the Commonwealth. He said that the dislocation of trade which would result from a conflict now between the two Houses would be disastrous to the whole of Australia. If this debate has shown anything, it has evidenced that we have provided in the Constitution a power which may prove injurious to the people, and which may demand in the near future an amendment of that instrument of

government. I am satisfied that when the people have to vote upon the question, whether they shall rule or whether small coteries shall be dominant, the average elector of the smaller States will vote in the same direction as will the democrat of New South Wales and Victoria. I repeat that no surrender of principle is involved in the proposal of the Government. The legal luminaries of the House assure us that if we establish a precedent in this connexion the people will never be able to free themselves from its shackles. I do not believe that statement. This motion is not irrevocable, and we may take a different action in the future. In the course of the Tariff discussions, I naturally expressed my own fiscal views as strongly as possible in opposition to the views of the honorable members on the other side. I realize, however, that we now have a Tariff comprising over 300 different items and having its ramifications in all classes of trade. The Senate, in the exercise of their powers under a written Constitution, has suggested amendments, and one Message was received from that Chamber. A return Message was sent, and modifications made in the duties, and now a second Message is before us. The wonder is that the suggested amendments were so few, when we consider the hundreds of items which had to be discussed. In my opinion, the word "request" is simply a euphemistic term used in the early days of the struggle, in order to obtain adherence which otherwise would not have been obtained to the federal movement. In this connexion we are reminded of a burglar who may calmly, and in the most polite way, "request" a person to disgorge his cash, but, if the burglar is properly armed, the "request" has all the force of a demand. We know that the word "request" carries with it the force of "amendment." At present the Senate has, through this House, the whole of Australia "in the toils," and that has been shown in the Minister's appeal to honorable members to receive this Message. We have to consider the conditions of trade, and also the fact that a similar position cannot occur again. This is the first time in our history that a uniform Tariff has been drafted, and in order to prevent chaos the Senate's Message ought to be considered. After this time, however, it rests with ourselves whether we accept other requests made by the Senate,

and if it were an Appropriation Bill I could understand members of this House fighting strongly against the exercise of the power claimed by the Senate.

Mr. KENNEDY.—What is the distinction in the Constitution?

Mr. WILKS.—If a conflict were provoked under present conditions, and reference were made to the people, the question could not be clearly decided. The suggestions of the Senate have been mostly in the direction of free-trade, and if an appeal were made to the electors of New South Wales they would have to decide on the action of their representatives in the Senate, backed up by the opinion of the majority of their members in the House of Representatives, in furthering a policy in which they believe. The constitutional issue and the fiscal issue would thus be confused. With an Appropriation Bill, however, there would be one question clearly before the people, irrespective of fiscal considerations. Some honorable members have urged that we should go to the country, but those who, it may be without just cause or reason, are strongest in their constituencies, are not always anxious for an appeal to the people. The experience in State politics is that the man who is everlastingly crying out for an appeal to the electors, very often after the appeal is made has no further opportunity of speaking in the Legislature. You, Mr. Speaker, have had experience as private member and Prime Minister in a State Parliament, and now, in your honorable position as the first Speaker of the Federal Parliament, you have refused to rule on the issue before us, and have thrown the responsibility on the House. My opinion is that, as the first Message was received, so should this Message be received. Sweeping away legal subtleties, I say that if there is anything wrong in the reception of the second Message there was something wrong in the reception of the first Message a fortnight or three weeks ago. It is within our power, in the future, to say whether or not the Senate is correct in sending on suggested amendments. I do not know whether the Acting Prime Minister is aware that the Senate is prepared for a policy of compromise, and that, if certain modifications are made, the members in another place are prepared to remove obstacles which now exist. If the Acting Prime Minister has that information,

I can understand his present action; but if he has any fear that the Senate is not prepared to compromise, but is anxious to fight, then by all means we ought to refuse the Message and, in order to save time, bring on the conflict now. But if in regard to a Tariff for the whole of Australia, at this stage, only twenty differences remain, more or less unimportant, then the first Parliament has done well. It is not to the interest of the public of Australia to cause a conflict on the present occasion, and throw the public finances and the industrial and commercial world into confusion. The honorable and learned member for Corio said he believed in the representation of population and not of States, and to a great extent I agree in that opinion; but the Constitution has been carried, and I do not believe in mock battles. I feel pleased, as a free-trader, that the suggestions of the Senate are in the direction of lowering the Tariff, and if I were to refuse to accept a Message, and say that the Senate had no right to send it, I should be false to my reading of the Constitution.

Mr. A. McLEAN (Gippsland).—I can hardly follow the concluding portion of the speech of the honorable member for Dalley, but I understand him to say that he is induced to support the motion, because the suggestions of the Senate are in the direction of reducing taxation. It appears to me, however, that the question we are, or should be considering, is not that of raising or lowering taxation, but the question of the proper mode of procedure between the two branches of the Commonwealth Parliament. I very much regret that, having been busy during the whole of the afternoon, I was unable to hear the speeches of the constitutional authorities of the House, and I am now in almost absolute ignorance of what has gone before. I did hear a portion of the speech of the Acting Prime Minister, and it is to that I intend to direct the few remarks I have to make. I may say, however, in the first place, that I was one who originally opposed the Commonwealth Constitution Bill, partly on the ground that it enabled one-third of the people to impose taxation on two-thirds, against the will of the latter. At that time I, as a layman, interpreted the Constitution to mean what it says, and no more. I understood the Constitution to mean that the Senate could send down a Bill at any

stage with a request for a particular amendment, but I did not understand that if the request was not complied with, it could be repeated over and over again. I have so much confidence in the Acting Prime Minister that if he had taken the responsibility of telling the House that after full consideration he believed the Constitution did confer this right on the Senate, I might have been disposed to give up my own views in deference to his. But so far as I followed the honorable gentleman he did not take up that position. He did not say that the Senate in sending down the same requests a second time were acting within their constitutional rights. The honorable gentleman pointed out, and I quite agree with him, the desirability of settling this question, and the vital importance which its early settlement is to the people of the Commonwealth. But I do not think that we should make any false step when laying the foundations of a nation. It is a most important matter, and serious as the consequences of delay or of a possible constitutional crisis may be, I think it will be still more serious if we make a vital mistake at this stage. I believe that it would be a mistake for us to lay down a precedent which is not contained in the Constitution. Should we find out afterwards that we had made a mistake, I believe that we could not retrace our steps. Whatever we may say now, and whatever we may assert, it is our act that will be looked to, and if a similar case arises again there is not the slightest doubt that this will be pointed to as a precedent from which we cannot very well depart.

Mr. WILKS.—One Parliament cannot control another.

Mr. A. McLEAN.—I know that one Parliament cannot control another, but the honorable member knows that if a serious precedent of this kind is once established it is extremely difficult to get away from it, and we shall have to face this question again handicapped by the load of the precedent we are now asked to make.

Sir JOHN QUICK.—Does it not depend upon our majority.

Mr. A. McLEAN.—I did not hear the views of the honorable and learned member for Bendigo. I do not pretend to say that my view of the Constitution is correct. As I have already stated, I would much rather take the view of the Acting

Prime Minister if he would give it to us upon this point. But as the honorable gentleman did not say that he believed that the Senate were acting within their rights, I regret to say that, much as I should like to support his proposal, I cannot do it in deference to what I believe to be the rights of the people of the Commonwealth.

Mr. POYNTER.—In arriving at finality what is the difference between the power of suggestion and the power of amendment?

Mr. A. McLEAN.—I do not think there is much difference, even if the Senate had the right, as I believe they have, only to make their requests once. I have always contended that there is no very great difference, but I find that all the constitutional authorities are opposed to me upon that point. If they say there is a substantial difference between the right to make a request and the right to make an amendment, and if they then go further and say that the Senate can repeat their requests time after time, I must say that their distinction is a hollow sham, and there is nothing whatever in it. Whatever the real difference between the power to request and the power to amend, as I interpret it, may be, there will be no difference at all if the Senate has the right to repeat a request time after time. I do not wish to detain the House further in explaining the reasons why I cannot follow my honorable friend upon this occasion. It is because I believe that if the Constitution does not confer the right upon the Senate to repeat a request time after time, it will be a fatal blunder on our part to lay down a precedent in the contrary direction, and I believe a blunder from which we cannot subsequently recede, that I shall oppose the motion.

Mr. JOSEPH COOK (Parramatta).—I do not intend to labour this question at any great length, because I do not think at this time of night very much more need be said. We have had some very learned arguments upon the constitutional aspect of this question, but some of them appear to me to be neither more nor less than consummate pieces of word-spinning. For instance, such a speech as that delivered by the honorable member for Indi I so characterize. I listened to that honorable and learned member very patiently, and with a great deal of admiration for the cleverness with which he stated his case. But it occurred to me that

his argument consisted wholly of word-spinning. I could not call it anything else. I am bound to say that, in my opinion, the honorable and learned gentleman's utterances were not nearly so weighty as many which we have been accustomed to hear from him in this House. I should like also to make a remark somewhat upon the lines suggested by the honorable member for Dalley. I desire to ask the House to take notice of the fact, and it is a striking one, that every honorable member who has argued against the Senate on this occasion, and has seen innumerable dangers wrapt up in the proposal of the Government, is without exception a Victorian high-tariffist. Is that a coincidence? If it is, it is a very remarkable one. Every honorable member who sees all these dangers in the Constitution to-night is a man who is dissatisfied with this Tariff, and who sees in the proposal of the Government a proposal for a still further modification of it. I say that that fact is too patent to escape notice.

Mr. ISAACS.—How about the converse?

Mr. JOSEPH COOK.—Does not the honorable and learned member see that he points the way for us. We cannot go wrong in following the honorable and learned member's indication. If he is going all the while to see constitutional dangers in anything that makes for the amelioration of this Tariff, then we may refuse to see those dangers when we believe that the proposal of the Government is for a still further concession in the matter of the Tariff.

Mr. A. McLEAN.—What about the Minister for Trade and Customs? Is that honorable gentleman a free-trader? He is with honorable members opposite.

Mr. JOSEPH COOK.—No; the Minister for Trade and Customs is not a free-trader, but he is a member of the Government. I apprehend that there has been some very considerable discussion on this question in the Cabinet. I should say that, after all the Minister for Trade and Customs has gone through in connexion with this Tariff, whether he be a free-trader or a protectionist, he is heartily sick of the job, and wants to be done with it. I had charge of the Tariff I should be heartily ashamed of it. But the question is not the Tariff exactly. There is a constitutional aspect of this matter, and I am one of those who are glad that the Government

take the attitude in dealing with this question that they do. I would rather the matter was dealt with in the way they propose than make any definite announcement on the present occasion as to what the rights of the Senate and of this House are. At the same time, I am bound to say, further, that in my opinion there is nothing in the Constitution which prevents the Senate from sending down a second or a third suggestion if they deem fit. In trying to understand the meaning of the section which has been so much debated to-night, I take the meaning given to it by the framers of the Constitution at the time of the Convention, and I go back to the speech quoted by the honorable and learned member for Indi, which is the latest utterance, I take it, in the Convention on this subject—I refer to the speech of the Prime Minister of the Commonwealth, Sir Edmund Barton, who was the leader of the Convention. I do not read the utterance as the honorable and learned member for Indi read it, and I shall put one question to the honorable and learned member in regard to it. Sir Edmund Barton at that time was speaking of the power to make suggestions on the part of the Senate, and after an interjection from the present Minister for Trade and Customs as to how many times they might make these requests or suggestions, he uses these words—

Yes, as long as the Bill is in the hands of the Senate. That means, I take it, a power not solely to send the Bill down at a stage at which the measure has at the moment arrived, but that if it arrives at a further stage in the Senate, there being in the meantime some settlement or no settlement with regard to the suggestion made, the Senate would have power to make other suggestions.

Now the honorable and learned member for Indi says that "at any stage" of the Bill does not mean any further stage in committee.

Mr. WATKINS.—Does not the quotation to which the honorable member has referred speak of "other suggestions"?

Mr. JOSEPH COOK.—The difference between 15 per cent. and 14½ per cent. would be another suggestion. What is the use of quibbling in that way about mere terms? The question is, have they the substantial power to send down suggestions after this House has dealt with the suggestions which they first sent down? Sir Edmund Barton, in the Convention, referred to a case in which no settlement had been arrived at. I

desire to know from the honorable and learned member for Indi how they could send down to this House any further suggestions upon a matter as to which no settlement had been arrived at after the stage that the Senate was last at? For instance, they send down this proposal to this House when the stage of report has been passed. There can be no further stage, according to the honorable and learned member, but the third reading, which is the next stage in succession. There is no intervening stage after the committee has reported; we must go on to the third reading. That is the only stage next in succession. How could the Bill reach that stage before a settlement had been arrived at? Would it not be necessary to go into committee to consider the Message on its return from this House? Therefore, it is clear that Sir Edmund Barton could not have had in his mind the case put before us by the honorable and learned member for Indi. The Senate could not send down suggestions for the alteration of the Tariff at the third-reading stage.

Mr. ISAACS.—That would depend upon their rules of procedure.

Mr. JOSEPH COOK.—The honorable member has said this evening that we must take the rules of procedure as we find them. There is no provision in the rules for making suggestions for amendments when a Bill has reached the third-reading stage. It is, therefore, clear that Sir Edmund Barton intended the term "at any stage" to have the very widest meaning. It is impossible to accept the reading of the honorable and learned member for Indi.

Mr. ISAACS.—Sir Edmund Barton could not prophesy what the rules of procedure of the Senate would be.

Mr. JOSEPH COOK.—The honorable and learned member is now departing from his own statement. He said that we were bound by the ordinary rules of procedure, by the procedure of the House of Commons, and by the practice of British parliamentary institutions. But in no British dominion is there any means provided by which the Senate could reach a further stage of the Bill than they have done at the present time, and still send requests to us regarding amendments in the Tariff. I am sure that if Sir Edmund Barton were here now he would say that it was intended that the Senate should be enabled to send down suggestions at any time that the Bill was under

consideration. My own impression is that the section means that the Senate may make requests as frequently as they like so long as this Chamber permits them to do so. It rests with us to say whether or not we shall take their requests into consideration. We have the control in our own hands, and we can stop at any moment. We may put an end to the negotiations at the exact moment when we think they have gone far enough. I cannot read the section as conveying any other meaning. The honorable and learned member said that the words "if it thinks fit" might just as well have been omitted. That may be, but they were inserted with a view to give this House the power to shut down on the negotiations between the two Chambers at any time. I congratulate the honorable and learned member for Indi upon his speech. It was the cleverest piece of word-spinning I have ever heard in this Chamber; but I could not help thinking of Plato's saying—"Truth lies at the bottom of a well." Certainly it seemed as if the honorable and learned member were diving deep down into the bowels of the earth in order to find an argument against the procedure of the Government on this occasion. It is very curious that all the talk about the importance of this constitutional question, and the dangers which are to be apprehended from the acknowledgment of the rights of the Senate to repeat their request, comes only from those who are in favour of a high Tariff. Those honorable members who desire to arrive at a settlement upon the lines of a moderate Tariff see none of these constitutional dangers. If a crisis were to occur, and I went to the people of New South Wales and said that I objected to what the Senate had done in regard to the Tariff, they would turn round and say—"We want the Senate to do precisely as it is doing." Then I might retort—"But look at the danger that is involved to the Constitution." They would then say—"We had all those dangers pointed out to us before the referendum was taken. We knew all about them then, and now that the Senate is in favour of our view with regard to the Tariff, we ask you and others to work the Constitution as you find it until it is altered in a constitutional way." Therefore, believing that the Senate is acting within its rights, and that it is correctly interpreting the wishes of the majority of the people of

Australia regarding the Tariff, I am ready to consider its requests. I hope that the course we shall adopt in this matter will result in bringing the Tariff more into harmony with the wishes of the people of Australia. Apart from that consideration, there is the further question of the uncertainty which now exists in business circles, and the upheaval of our commercial affairs, owing to the unsettled state of the Tariff and the administration of it. I submit that the administration of the Tariff is worse than the Tariff itself. There is a feeling of unrest throughout the length and breadth of Australia, and the people, whether protectionists or free-traders, are asking that we shall arrive as soon as possible at finality in regard to this long drawn-out and troublesome question. I have heard the most ardent free-traders in New South Wales say—"For goodness sake finish the Tariff. Give us anything you like—anything will be better than the present state of uncertainty." Therefore, since the Government propose to waive the constitutional point for the present, and defer its consideration till some future time, we ought to readily follow them. We have been told that the question as to the relative powers of the two Houses will have to be considered in connexion with the framing of the standing orders. No doubt it will. The standing orders will have to provide the methods of procedure to be followed in connexion with negotiations between the two Houses, whose respective positions will have to be determined. We shall have to discuss this question at an early date, and the sooner the better. I think it is almost a calamity that the standing orders were not considered in the first instance, and brought into operation before we were called upon to deal with the Tariff. It seems strange that, after having been in session for eighteen months we should have no recognised means of approaching the other House. This affords another reason why we should more readily follow the Government, because no question of procedure and therefore no question of the relations between the two Houses arises. I commend the Government for finding us a way out of the difficulty, and I shall follow them with a great deal of pleasure.

Mr. KENNEDY (Moir). — Reference has been made by the honorable member for Parramatta to the fact that some protectionists see constitutional difficulties because

of the fiscal views they hold. The retort might be made by uncharitable people that it is a peculiar coincidence that all free-traders are in accord with the Government in their determination not to assert the constitutional rights of this Chamber upon the first occasion upon which they have been questioned. The accusation of bias, conscious or unconscious, would always lie against honorable members in such cases, but it does not rest with the free-traders to cast imputations upon those who sit on this side of the House.

Mr. ISAACS.—I do not think it is worth noticing.

Mr. JOSEPH COOK.—Why does not the honorable member explain it?

Mr. KENNEDY.—The honorable member for Parramatta should first explain his position. My complaint is that the Government, having had thrown upon it the responsibility of determining the constitutional rights of this Chamber, has evaded the issue and placed honorable members in an unfair position. We know that the commercial and industrial welfare of the whole community is wrapped up in the Tariff issue to a great extent, but the question is not now one of high Tariff or low Tariff, but of the rights of the other Chamber to determine matters relating to the taxation of the people. I have never admitted that the Senate has equal rights with this Chamber in the imposition of taxation on the people, but the position taken up by honorable members on the other side is entirely opposed to that view, although the acting leader of the Opposition has admitted that a clear distinction is laid down between the powers of the Senate in dealing with Appropriation or Taxation Bills, and their powers in dealing with other measures. There is a clear difference between the powers of the two Houses, and yet the honorable member for Dalley says that there is practically no distinction between them. He says that the Senate has practically the power of amendment in connexion with taxation Bills. That is where we join issue, and I find fault with the Government for evading the real issue. The acting leader of the Opposition was perfectly fair when he said that the motion evades the main issue completely.

Mr. DEAKIN.—It was intended to.

Mr. KENNEDY.—That is what I find fault with. The time occupied in this debate, added to a few hours to-morrow,

would probably have enabled us to determine the constitutional question involved in the action of the Senate. We have heard the opinions expressed by eminent legal authorities in the House, all of whom are agreed upon this question. The honorable and learned member for Bendigo, it is true, takes up the position of the proverbial small boy, who says that he is not quite big enough to fight yet. He admits that the justification for a fight exists, and that a determination of rights should ensue, but he says that he is not yet big enough to fight. The honorable and learned member regards this matter from the standpoint of expediency rather than of principle. That is what I object to. I have never admitted—and it has never been seriously urged by any federal leader—that the right of the Senate to amend taxation or appropriation Bills is co-ordinate with that of the House of Representatives.

Mr. THOMSON.—The Senate has an equal right to reject those Bills.

Mr. KENNEDY.—It is true that the responsibility of rejection rests with the Senate. But the position, I think, has been clearly put by one honorable member, who quoted the dictum of Sir Samuel Griffith, that the right of suggestion by a strong Senate was equal to the right of amendment by a weak Senate. That is the position to-night. We have a weak Government who will not face the situation in the interests of the whole of the electors. I feel convinced that those honorable members opposite, who pose as true democrats, will ere long have occasion to reverse their attitude upon this question. Are they prepared to allow the representatives of the smaller States to impose burdens upon the great majority of the people of the Commonwealth in opposition to the will of the latter? That is practically the whole position. This is not a question of whether we shall have a high or a low Tariff. The difference between the duties upon the items in dispute does not represent more than 5 per cent. Is that a matter about which we are likely to quarrel at the expense of the utter dislocation of trade? Certainly I am not prepared to take up that position, but I think it is the duty of the Government to clearly define the constitutional powers of this Chamber in matters of taxation and appropriation. Upon those grounds I intend to oppose the

motion, which contains an admission by the Government that some of our rights may be infringed if we discuss the Senate's Message without first adopting this resolution. The concluding portion of the resolution reads—

This House refrains from the determination of its constitutional rights or obligations in respect of this Message, and resolves to receive and consider it forthwith.

I cannot conceive any conditions under which this Chamber should refrain from determining its constitutional rights. If some grave and important crisis arose, in which it was imperative that we should act upon the spur of the moment, I presume that we should be prepared to do so. But that is not the position. Chaos will not ensue if the settlement of the Tariff is delayed for another week, and will any honorable member argue that a determination of the question of our constitutional rights could not be arrived at within a week? I regret that the Government by their action are establishing a precedent which will govern our mode of procedure for all time. It has been mentioned in some quarters that discretion is the better part of valour, but I venture to say that that doctrine cannot be upheld for one moment. No honorable member should be willing to allow the constitutional rights of this Chamber to be infringed upon the mere ground of expediency. Principle should govern us in all things, and, therefore, I must oppose the resolution.

Mr. O'MALLEY (Tasmania).—First, I desire to congratulate the Attorney-General upon his masterly and eloquent defence of the Ministerial position. To my mind, it was impregnable, progressive, and democratic. When a man has been bushed for some days, either through a blizzard, or a snowstorm, the first thing which he ought to do is to ascend a high hill, and endeavour to discover the smoke of some house, or the nearest way to a clearing. That is precisely the course which we ought to adopt to-night. For fourteen months we have been debating great constitutional questions, and yet we have left undiscussed the most vital matter of all, namely, the difference between the Senate and the House of Representatives. It seems to me that we ought to clearly define the constitutional powers of the two Houses. I hold that the Commonwealth of Australia is different from any other nation

that has existed, or does exist. In the first place, our Government is not like that of Germany, Turkey, or Russia. In Russia the will of the Czar, in Turkey that of the Sultan, and in Germany that of the Emperor is supreme.

Mr. SPEAKER.—The honorable member's remarks are scarcely relevant to the question.

Mr. O'MALLEY.—The point at issue is, what are the constitutional powers of the House of Representatives and of the Senate? I trust we shall decide that the other Chamber has the right to transmit a second Message to us, and that we have the power to discuss it. It seems to me that this House represents the federal idea.

Mr. DEAKIN.—The national idea.

Mr. O'MALLEY.—Its membership is based upon the principle of human numbers. It springs directly from the people, and acts directly upon them. The larger the population of Australia the greater will be the number of representatives in this Chamber. The Senate, however, occupies an altogether different position. It rests upon geographical boundary lines, and its membership can be increased only by the addition of new States to the Commonwealth. It matters not if the population of the Commonwealth totals 20,000,000 or 30,000,000, there can be no increase in the number of senators; but there must be an increase in the number of representatives in this House.

Mr. JOSEPH COOK.—But if the number of members in this House were increased, the number in the Senate would also have to be increased.

Mr. O'MALLEY.—Why? The Constitution provides that each State shall be represented by six senators. We must recognise that the Commonwealth is a nation of nations, a Commonwealth of Commonwealths, an indissoluble union of indestructible States. This House has control of the purse, and by granting to the other Chamber the power to repeat its requests in regard to Money Bills, we do not in any way imperil the rights vested in us by the Constitution. Therefore, I shall vote for the proposal of the Government.

Mr. DEAKIN (Ballarat — Attorney-General), *in reply*.—I by no means regret a single moment which has been allotted to this debate, and beg to express an unassumed appreciation of the manner in

which this question has been approached from all sides of the House. It is a necessary part of even a hurried summing up to point out that the result of this debate has satisfied me more than ever that, whatever may be the opinion of my critics, this House is not yet ripe for dealing with the serious constitutional issues involved, and that we shall do well to put them on one side until we can arrive at a little more unity amongst ourselves. "A House divided against itself cannot stand," and until a greater agreement upon more definite propositions in this regard can be arrived at in this Chamber, it would be in the highest degree unwise for us to enter on a contention with another place. It has been under considerable pressure that the Government decided on the course which they have invited the House to follow. It was apparent to the Ministry, and it has been proved to-night, that whatever truth there may be in the insinuations that honorable members have grouped themselves on this constitutional question, not so much in regard to their opinions on that question, as in regard to their sympathies on the fiscal proposals involved, certainly a strong dividing line has been drawn. On the whole, members have not been found on this question taking sides as might have been expected if it had been an abstract issue. Some were obviously greatly swayed by concrete considerations of the result of the action which they were invited to take. Even a suspicion of the play of such external forces on a decision of this kind ought to be sufficient to satisfy my friend, the honorable member for Moira, whose severe complaint we have just listened to, that so far from the course now chosen being one of weakness, it is one in which there has been a discrimination between a premature discussion and a dangerous settlement of this question now, as contrasted with the very much better opportunities which will shortly be presented to us. I do not undervalue the importance of even the least suggestion that has been made of any interpretation of the Constitution in favour of this House. There are times when it is proper to "greatly find quarrel in a straw," but surely it is part of the practical wisdom of the world to know when to set formal issues aside, rather than lose sight of the main contents of a situation. And the

main features of the situation at the present time are undoubtedly the enormous interests at stake to the industrial and commercial development of the country. We shall also have to look above and beyond ourselves, to the people, when we seek to arrive at an agreement, and when we approach our fellow representatives in another Chamber in order to arrive at an amicable settlement. If we are fortunate enough to agree, as I hope we shall, many difficulties will be removed; if we are not, we shall do well now, and for a long time to come, to be extremely cautious of entrance into quarrels of this kind, for the reason that these are questions which do not appeal with overwhelming force to the public of this great continent. Many of them are situated thousands of miles from our centre of political action, and depend upon very incomplete reports of our proceedings. Many others, owing to want of practical experience in representative institutions, are not able to realize the importance of the issues involved. We should surely be adopting mistaken tactics if we took the last course left to us in a constitutional struggle, until we were satisfied first that we have a good case, and secondly that the electors thoroughly understand it. I venture to say that if we submitted to the people a constitutional issue entangled with the fiscal prepossessions which surround the Tariff, while the whole community is labouring under a sense of its increasing effect on trade, week by week and month by month, we shall at the very outset prejudice our case immensely. It has not been from any neglect or disregard of the proper claims of this House to due consideration as one of the great partners of the Federal Parliament, that the Government proposed the course indicated in the motion. It is proposed because, in the interests of this House and in the interests of responsible government, this is not a fitting time to seek a verdict from the people on the constitutional issues involved. At this hour of the night it would be unwise to labour the point. There are many incidents in political history which go to warn us how by some apparently chance turn of the current of events, incidents such as this apparently slight in themselves, are elevated into instantaneous importance, and become matters of great moment. That being so, it ill becomes one to attempt to prophesy as

to what the consequences of a particular step of this sort may be. The consequences so far have been extremely useful, for they have enabled members to commence to understand one another's minds. I freely admit my own indebtedness to the debate for a much clearer view of some of the points raised. I have no doubt that other debates will enable us to arrive at an agreement here, which, I trust, will presage the agreement we shall reach with the other Chamber. But, although apparently fortuitous circumstances may at times elevate an occurrence of this sort into an eminence that no one could have foreseen, I am still inclined to believe that the proposal we here make does not mark any such departure as will be signaled hereafter. At all events, so far as it does, we are safeguarded by the motion, which seeks to take no advantage of the Senate, and concedes no advantage to this House. It aims at maintaining the constitutional *status quo*, while it enables us to reach towards the earliest possible settlement of the customs Tariff. Under these circumstances, after carefully weighing, with the attention they deserve, the strong representations which have been made, especially by my fellow-representatives of the State of Victoria, I still remain of the opinion with which I commenced this discussion. I doubt if my friends of the Opposition, who are most of them not Victorians, can understand as well as I do the spirit which has prompted my own friends on the Government side. If there is one thing which is engendered in the Victorian liberal—if there is one principle that flows with the blood through his veins in all constitutional questions—it is the assertion that the local Chamber which represents all the people in this State shall not be subject to the domination of a body elected on a limited franchise with a property qualification, that has proved itself a stumbling-block to most advances which the local Legislature has sought to make. There is such an ineradicable antagonism on our part, inherited from past experiences, that we are but too liable to carry it into an entirely different sphere, where we are confronted, not only by an entirely different body, with entirely different claims to popular support and approval, but by the still novel element of a Federal Constitution. While appreciating the attitude of Victorian members, I venture to remind

them how, when we were on the same platform in the federal campaign, we were opposed by men who held a stricter view, and felt the old antagonism to all Second Chambers. We had then to point out to them that in the Federal Constitution some old contentions lost much of their meaning. We have to remind ourselves of that truth still, to remind ourselves that now more than ever we must be federalists first, last, and always. The operation of the federal system must necessarily deflect our former principles to a considerable extent, and require us to pay more consideration to a Senate that represents the people of the States. If there are any who chafe at what they consider the limitations imposed on them by the Constitution, there is no other course for them but to alter the Constitution, though while it lasts they must give it their loyal adherence and support. I venture to submit that as federalists our duty is to avoid contentions with the State Chamber. I do not think we shall lose anything by forbearance. I am quite convinced that in the present contingencies we should not have had, either in the House or outside, that support which we are entitled to expect when we raise great and serious problems such as have been submitted to-day by the honorable and learned member for Indi, and those who agree with him. We shall do much better to take the sane and practical course suggested by the motion, rather than "go sounding on our dim and perilous way" into the unknown consequences of political conflict, for which, in my opinion, the people are not prepared. What the country is prepared for, and what is required, is the speediest possible settlement of the great Tariff question; this will be our final Message relating to it; and then, hereafter, by calm consideration, apart from all other questions, the delicate relations between the two Houses may be adjusted on a footing satisfactory to them and to Australia.

Question put. The House divided.

Ayes	...	...	...	...	36
Noes	...	...	...	...	9
—					
Majority	...	...	...	...	27

Mr. Deakin.

Ayes.

Batchelor, E. L.
Bonython, Sir J. L.
Brown, T.
Chanter, J. M.
Conroy, A. H.
Cook, J.
Cooke, S. W.
Deakin, A.
Edwards, G. B.
Edwards, R.
Fowler, J. M.
Fuller, G. W.
Groom, L. E.
Hartnoll, W.
Kingston, C. C.
Macdonald-Paterson, T.
Mahon, H.
Manifold, J. C.
McColl, J. H.

McDonald, C.
McMillan, Sir W.
O'Malley, K.
Paterson, A.
Phillips, P.
Poynton, A.
Quick, Sir J.
Sawers, W. B. S. C.
Smith, S.
Solomon, E.
Solomon, V. L.
Thomas, J.
Thomson, D.
Turner, Sir G.
Wilks, W. H.

Tellers.

Clarke, F.
Glynn, P. McM.

Noes.

Isaacs, I. A.
McCay, J. W.
Ronald, J. B.
Salmon, C. C.
Tudor, F.

Watkins, D.
Wilkinson, J.
Tellers.
Crouch, R. A.
Watson, J. C.

PAIRS.

For.

Groom, A. C.
McEacharn, Sir M.
Lyne, Sir W. J.
Hughes, W. M.
Fysh, Sir P. O.
Skene, T.

Against.

McLean, A.
Kennedy, T.
Mauger, S.
Bamford, F. W.
Cook, J. H.
Higgins, H. B.

Question so resolved in the affirmative.

In Committee (Consideration of Requests again made by the Senate):

Mr. KINGSTON (South Australia—Minister for Trade and Customs).—I trust that we are now entering upon the final stage in connexion with this troublesome and important matter. I trust and believe that the spirit of conciliation which has been exhibited during the afternoon will continue to be shown. To that end the Government are prepared to make a compromise—such a compromise as I think we can honorably propose, and such also as I believe the Senate can similarly accept; a fair concession to the necessities of the case, and a full exposition of our feeling that the position in connexion with the Tariff is one of such uncertainty that it ought to be put an end to at the earliest possible moment. I simply indicate what our intentions are. I propose to state the nature of the concessions which we shall ask the committee to agree to. Dealing first with the items under the heading of metals and machinery, where the issue has been as to whether we should retain the duty of 15 per cent., which we originally proposed, or accept that of 10 per cent. which has been requested by

the Senate, we think the time has come to offer to make an arrangement upon the subject; and we propose under the circumstances, with regard to all those duties, to reduce them from 15 per cent. to $12\frac{1}{2}$ per cent.

Mr. ISAACS.—Upon all machinery?

Mr. KINGSTON.—As regards all those items in connexion with which we have been at issue hitherto, where the division of opinion has been between 15 per cent. and 10 per cent. We propose also, as regards the less important item of mangles, to allow the dispute to be similarly settled by agreeing to a duty of $12\frac{1}{2}$ per cent.

Mr. ISAACS.—Does the right honorable gentleman propose the reduction upon machinery because he thinks it is right, or because he feels himself forced?

Mr. KINGSTON.—Because I think it is right under the circumstances. In the matter of residual oil and solar oil, we propose to consent to a reduction from $\frac{1}{2}$ d. to $\frac{1}{4}$ d. We believe that $\frac{1}{4}$ d. is a fair arrangement, and we propose to stick to it. I venture to think that there ought, and I think there will be a desire on the part of the committee to make our conclusions in this respect as unanimous as possible. Whilst the Government are giving way fairly liberally in these matters, I trust that a similar spirit will be exhibited on the other side.

Mr. McCAY.—Is this the right honorable gentleman's final concession?

Mr. KINGSTON.—I think the time has arrived when we have a right to hope and expect that this is the final stage, so far as we are concerned.

Mr. McCAY.—Suppose the right honorable gentleman's expectations are disappointed?

Mr. KINGSTON.—I am not going to anticipate anything at this moment, nor shall I say one word to prevent the realization of the hopes we have, and which I think I may say amount to a certainty that the Senate, if approached in this attitude, will reciprocate accordingly. As regards socks and stockings, we cannot agree to the proposal that the duty upon cotton socks and stockings should be raised to 15 per cent., but we are willing that woollen socks and stockings should be reduced to 15 per cent. As regards yarn, we are prepared to advise the committee to consent to a reduction of the duty to 5 per cent., and as regards all the other items, I think there is a

fair division as regards those with which we agree and with which we do not, and I shall therefore ask the committee to support the Government in saying that the amendments requested in connexion with them are not required.

Sir WILLIAM McMILLAN (Wentworth).—I do not intend to say much upon the proposal of the Minister for Trade and Customs. I do not even go so far as to say that we see in it a fair compromise. It certainly is not satisfactory to us.

Mr. SALMON.—And I can assure the honorable gentleman that it is not satisfactory to us.

Sir WILLIAM McMILLAN.—But I recognise that we have practically had our last say in the discussion of this Tariff. The question is now between the Ministry and their supporters. It is a curious fact that if we take half of the divisions on these different items on the last occasion on which we discussed them, the majority has consisted entirely of the Ministerial bench. At the same time we do not intend to sulk in our tents, and if we find that in connexion with any of these items, the duties upon which the Government are determined to reduce their proposals are in any way objected to, and a vote is taken, we shall vote as free-traders for every reduction. To that extent we shall support the Government. I am sorry that the compromise has not been greater, but I feel that now, after having to a certain extent strained the position, and having received this new Message of the Senate, whatever we do to-night must be final. We do not accept this Tariff as ours.

Mr. BATCHELOR.—It certainly is not ours.

Sir WILLIAM McMILLAN.—No. It is a very different document from the Tariff fathered by honorable members on the Government side of the House, and it is also very far from being framed upon the lines indicated by the Prime Minister at Maitland. We brought it to a half-way house on the road back to Maitland, but we did not reduce it sufficiently to reflect either the hustings speeches of the Prime Minister, or the opinion of the people of Australia. Without in any way giving our sanction to this Tariff, we say that anything is better than further delay, and, as a matter of patriotism, which is above all party feeling, we have come to the conclusion that a final settlement should be no longer delayed. Therefore,

the work of honorable members on this side of the Chamber is practically done.

Item 15. Paraffin wax per lb., $\frac{1}{2}$ d.
Request again made.—That the duty be reduced to $\frac{1}{2}$ d.

Motion (by Mr. KINGSTON) agreed to—
 That the amendment requested be not made.

Item 77. Mangles. *ad valorem*,
 15 per cent.

Request again made.—That the duty be reduced to 10 per cent.

Motion (by Mr. KINGSTON) proposed—

That the amendment requested be not made, but that the duty be reduced to $12\frac{1}{2}$ per cent.

Sir WILLIAM McMILLAN (Wentworth).—Divisions have been taken over and over again upon these requests, and I think it will be sufficient if we allow the motions to pass on the voices.

Mr. CONROY (Werriwa).—If a conflict is to be precipitated, and I should think that this is very likely, in view of the attitude now assumed by the Government, I desire to have it placed on record that I have done all in my power to effect a compromise. In this instance no question of protection or free-trade is involved, but a reasonable compromise has been suggested by the Senate, and if we refuse to consider it we might just as well have voted against the proposal of the Government that we should receive and deal with the requests of the Senate.

Motion agreed to.

Item 5. Tobacco, viz., cigars, per lb., 6s. 3d. and 15 per cent.

Request again made.—That the duty be altered to 7s. per lb.

Motion (by Mr. KINGSTON) proposed—

That the amendment requested be not made.

Mr. CONROY (Werriwa).—If we had acceded to this request of the Senate, we should have abolished the last of the composite duties provided for in the Tariff.

Mr. MCCAY.—The Senate propose to raise the duty.

Mr. CONROY.—Even if that is so, I am perfectly prepared to meet the Senate half way. We should show some disposition to compromise, and I am sorry that honorable members should be content to place themselves under the direction of the Minister for Trade and Customs, who has already shown himself utterly lacking in statesman-like qualities, and whose action is calculated to bring about a crisis between the two Houses.

Motion agreed to.

Item 10. Bacon and ham per lb., 3d.
Request again made.—That the duty be reduced to 2d.

Item 14. Butter and cheese, per lb., 3d.
Request again made.—That the duty be reduced to 2d.

Item 22. Grain and pulse, n.e.i., per cental, 1s. 6d.

Request again made.—That wheat be added to the list of special exemptions.

Item 23. Grain and pulse, prepared or manufactured per cental, 2s. 6d.

Request again made.—That the duty be reduced to 1s. 6d.

Item 24. Hay and chaff, 1s. per cwt.

Request again made.—That hay and chaff be added to the list of special exemptions.

Item 46. Rice. n.e.i., per cental, 6s.

Request again made.—That the duty be reduced to 5s.

Item 58. Apparel and attire. woollen and silk *ad valorem*, 25 per cent.

Request again made.—That the duty be reduced to 20 per cent.

Item 63. Hats and caps: men's, women's, boys', and children's felt hats *ad valorem*, 30 per cent.

Request again made.—That the duty be reduced to 25 per cent.

Motion (by Mr. KINGSTON) proposed—

That the amendments requested be not made.

Mr. CONROY (Werriwa).—The request that the duty upon bacon and hams should be reduced from 3d. to 2d. per lb. is a reasonable one, and it cannot be claimed that it is intended to unduly reduce the protection now granted to those engaged in producing these articles within the Commonwealth. It is unreasonable to dismiss requests of this kind without the slightest discussion. In connexion with the item "grain and pulse" we are asked to place wheat on the free list, and I cannot understand how honorable members who represent city constituencies will be able to justify their action in supporting the imposition of a duty which can only prove effectual in times of drought and scarcity. In connexion with the item "hay and chaff," we have had ample testimony as to the pernicious effects of a duty upon this commodity, and the refusal of the Government to make any alteration in response to the requests of the Senate, shows that they are utterly destitute of the spirit of compromise which should characterize our dealings with the other Chamber. If I were a member of the Senate, and that body were treated in the contemptuous manner that marks the attitude of the Ministry at present, I should soon let the Government know the exact place the Senate occupies in our Constitution.

Mr. MAHON (Coolgardie).—How far do the Government intend going on with this matter? I object to finishing to-night. There will be ample time to-morrow. I have been in Melbourne nearly eighteen months consulting the convenience of the Victorians and others who are able to get to their homes every week-end. I am satisfied to sit till eleven o'clock, but we have been here long enough now. I do not see the wisdom of sitting late now in order that we may have a holiday next week.

Mr. DEAKIN.—There is no chance of that.

Mr. MAHON.—It has been stated, on behalf of the Government, that, if a certain stage were reached by Friday, there might be an adjournment over next week. I object to that.

Mr. DEAKIN.—I am afraid we cannot agree to it.

Mr. MAHON.—The Government have frequently promised honorable members an opportunity of discussing private members' business. That has not been done yet. I do not like to be unpleasant, but I must insist that we shall not go on any further this evening.

Mr. JOSEPH COOK (Parramatta).—I must make a protest against what I regard as a strange proceeding on the part of the Government in connexion with this matter. They pay no regard to the primary requirements of the people in regard to articles upon which there are duties ranging from 50 to 75 per cent., whilst with regard to secondary necessities they propose to compromise. There appears to be no common sense in proceedings of that kind. I protest against insisting upon high duties on flour and the clothing of the people.

Mr. BROWN (Canobolas).—The request of the honorable member for Coolgardie is a reasonable one. We have been engaged all the afternoon in discussing constitutional points, largely from the legal standpoint, and now we are asked to go on with these items *seriatim*. This is not a reasonable way to deal with the requests which have come to us from the Senate. We want to have an opportunity of fairly considering the requests that have been made, and to see whether it is not possible to meet the wishes of another place. We must all recognise that the Tariff is now a matter for compromise. We are endeavouring to reach a position of agreement. I trust the Government will not push the matter to the

extreme of requiring the committee to deal with the whole of the details to-night.

Mr. SYDNEY SMITH (Macquarie).—I do not wish to detain the committee, but I cannot resist the temptation of entering my protest against the way in which the Government have treated the requests of the Senate. I was under the impression that Ministers would propose substantial reductions with regard to mining and agricultural machinery, and would have shown a desire to meet the wishes of the Senate. So far as the Opposition are concerned they have, time after time, endeavoured to secure reductions and have been defeated. I recognise that, in view of that fact, and considering the temper of the committee, it is hardly possible for us to obtain further reductions, but, at the same time, I cannot help expressing my regret that the Government have had so little regard to the interests of the primary producers of the country, and have paid so little attention to the suggestions which have been made. I feel, with the acting leader of the Opposition, that our task is hopeless as we are in a minority, and that all we can do is to enter our protest against the action of the Government, and to hope that wiser counsels will prevail, if not at this stage, later on.

Mr. SAWERS (New England).—I wish to know whether I can move that the operation of the duty on hay and chaff be deferred until 1st January, 1903?

The CHAIRMAN.—To suit the convenience of the honorable member, I will put the items *seriatim*.

Mr. CONROY (Werriwa).—I can quite understand that some honorable members do not like this matter to be discussed, although they know that there is a ring of millers who have bought up all the wheat beforehand, and that not a single farmer is benefited by the duty, whilst the rate on flour of £2 15s. a ton has raised the price of bread to the people. They look upon that fact with pleasure, because the members of the ring are putting money into their own pockets. The Minister for Trade and Customs cries in effect—"In the name of all that is good and merciful give the ring a chance of making money out of the necessities of the people." I protest against the Ministerial proposal. In my judgment we might reasonably accede to the requests of the Senate in regard to reduced duties upon bacon and

hams and wheat. The drought which has prevailed all over Australia has worked almost irreparable injury. As honorable members are aware, it will be impossible for us to harvest any wheat until January or February next; consequently the duty of 1s. 6d. per cental upon that commodity will affect the food supplies of the people for the next four months. Similarly with regard to grain and pulse prepared or manufactured, n.e.i., I think that we might well accept the reduced duty requested by the other Chamber.

Mr. BROWN (Canobolas).—I am prepared to allow the duties upon bacon and ham and butter and cheese to pass unchallenged, but I cannot take up the same position in respect of wheat. I think it will be admitted that under normal conditions a tax of 1s. 6d. per cental upon wheat will not operate within the Commonwealth. In an ordinary season the farmers grow more than sufficient for the requirements of our people, and are compelled to export their surplus to other parts of the world. But throughout the entire Commonwealth, and particularly in New South Wales and Queensland, we have recently been experiencing an abnormally dry season, and although the outlook has considerably improved within the last week, the crops are still in a very backward condition. The prospect for the farmers is a very gloomy one indeed, particularly in New South Wales. I feel satisfied that instead of that State being in a position to export wheat, as heretofore, it will be compelled to import it for the purpose of providing food supplies for its people. Indeed I believe that the drought has been so general throughout Australia that within the next year it will be necessary for the Commonwealth to import wheat for its own requirements. In the face of such an outlook, is it reasonable to levy the heavy duty proposed upon the general consumer? I protest against the attitude of the Government in refusing to accede to the reasonable request of the Senate. If they are not prepared to do that, they might at least agree to a compromise. Certainly a duty of 1s. 6d. per cental upon wheat is an excessive one.

Mr. THOMSON (North Sydney).—We have fought this question to the last ditch, and the fact that we have been unsuccessful does not imply any slight upon honorable members upon this side of the Chamber; indeed I regard it rather as a compliment.

Every inch of the ground has been fought, and previous divisions upon these very proposals have proved that we cannot get more concessions than we have already secured. The matter, therefore, must now rest between the Government and a majority in the Senate. That being so, I do not think that we need repeat any of the arguments used upon former occasions. If any honorable member feels particularly strong upon any item it would be wise for him to call for a division without debate.

Sir WILLIAM McMILLAN (Wentworth).—If the honorable member for Canobolas so desires he can test this matter by moving for a reduction in the duty proposed, and calling for a division.

Mr. MAHON (Coolgardie).—I do not think that the present is an opportune time to impose heavy taxation upon the food-stuffs of the people. What is the price of bacon and hams in Melbourne to-day? If the working man wants a piece of bacon he has to pay 1s. 3d. per lb. for it.

Mr. SALMON.—The very best bacon in Melbourne can be obtained retail for 1s. 2d. per lb.

Mr. MAHON.—From 1s. 2d. to 1s. 3d. I can produce a receipt showing that 1s. 3d. per lb. has been paid in the small retail shops.

Progress reported.

ADJOURNMENT.

VICTORIAN AGRICULTURAL SHOW.

Motion (by Mr. DEAKIN) proposed—

That the House do now adjourn.

Mr. CROUCH (Corio).—Will the Prime Minister arrange that the House adjourn until seven o'clock to-morrow night? The Royal Agricultural Show to be held at Flemington to-morrow is the principal show of the kind in Australia.

Mr. JOSEPH COOK.—The principal show in Australia is to be held in Sydney next April.

Mr. CROUCH.—The agricultural industry is the most important in the Commonwealth. If honorable members do attend the House not much business can be done, because the holiday feeling is in the air; and I would remind South Australian and New South Wales representatives that time after time the House has been adjourned on Thursdays, and at other times, in order to suit their convenience.

Mr. DRAKE.—I regret to say that I must ask the House to meet at half-past two, as usual.

Question resolved in the affirmative.

House adjourned at 11.19 p.m.

Senate.

Thursday, 4 September, 1902.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

PAPERS.

Senator DRAKE laid upon the table the following papers :—

Australian Foodstuffs and Horses for the use of the Admiralty and War Office.

Ordered to be printed.

Public Telegraph or Telephone Lines: New Regulations Customs Act 1901: Regulations.

RETIREMENT OF MILITARY OFFICERS.

Senator Lt.-Col. NEILD.—I desire to draw the attention of the Vice-President of the Executive Council to the fact that yesterday I had on the business-paper two sets of questions having reference to the retirement of officers of the partially-paid and volunteer forces in New South Wales, and that the answer I received to the first set evidently refers to the second set. Perhaps he will look into the matter.

Senator O'CONNOR.—Yes.

ROYAL COMMISSIONS BILL.

Bill read a third time.

PACIFIC ISLAND LABOURERS ACT

Senator WALKER asked the Vice-President of the Executive Council, *upon notice*—

1. Is the Government aware that a petition, said to be signed by 3,000 South Sea Islanders residing in Queensland, has been forwarded through the Governor of Queensland to His Majesty the King, asking, on humanitarian grounds, that some action may be taken to modify the deportation clauses of the Pacific Islands Labourers Act of 1901?

2. If the Government has cognizance of such petition having gone forward; and, if correspondence has taken place thereanent between the Government and the State Government of Queensland, or between the Government and the Home authorities, will the Government take steps to cause a précis of such correspondence to be placed on the table?

3. Have the Government a copy of the petition; and, if so, will they take the necessary steps to cause it to be laid on the table?

Senator O'CONNOR.—The answers to the honorable senator's questions are as follow :—

1. It is so stated.

2. The Government has no cognizance of such petition having gone forward. The Government has had no correspondence with respect to it.

3. The Government has no copy of the petition.

GOVERNOR-GENERAL.

Senator HIGGS asked the Vice-President of the Executive Council, *upon notice*—

1. Has the Acting Premier observed the following cablegram in the Melbourne *Argus* of the 1st of September :—

THE COMMONWEALTH.

Governor-General's Salary.—Statement by the *Times*.

London, 1st September.

The *Times*, this morning, commenting upon the return to his home of the Earl of Hopetoun, refers to the circumstances which led up to his recall from the Commonwealth. If Australia, it says, is reluctant to provide a salary proportionate to the vice-regal magnificence expected, it may be necessary to appoint an eminent person whose qualifications do not include a large private fortune, and whose expenditure will be conditioned by his salary.

2. Is there, in the opinion of the Federal Government, any reason for the London *Times* to suppose that the people of the Australian Commonwealth expect "vice-regal magnificence" in a Governor-General?

3. Will the Federal Government repudiate the *Times*' suggestion, and the innuendo contained therein, that Australians desire the appointment of a Governor-General whose qualifications include a large private fortune?

4. Is it not true that the people of Australia, paying, as they do, a salary of £10,000 per annum, will be satisfied with a Governor-General without private means, provided he be in other respects—i.e., in intelligence, education, experience, and character—a suitable person?

Senator O'CONNOR.—The answers to the honorable senator's questions are as follow :—

1. Yes.

2. No.

3. The Government do not think it necessary to take any such action.

4. Yes.

ORDER OF BUSINESS.

Senator Sir JOSIAH SYMON (South Australia).—I desire to call the attention of Senator O'Connor to the order of Government business, and to ask him whether it is desirable that the consideration of the House of Representatives' amendments in the Post and Telegraph Rates Bill should be interposed in the

middle of the debate on an amendment to clause 151 of the Electoral Bill? I would suggest to him whether it would not be better to dispose of that amendment in the Electoral Bill than to proceed to consider the amendments in the Post and Telegraph Rates Bill with the effect of postponing the consideration of the amendments in the other Bill perhaps indefinitely.

Senator O'CONNOR (New South Wales—Vice-President of the Executive Council).—The Government think it desirable that the Post and Telegraph Rates Bill should become law at the earliest possible moment, and as they have to consider some amendments of the other House they propose to take that measure first, and then to resume the consideration of the amendments in the Electoral Bill.

Senator Sir JOSIAH SYMON (South Australia).—I move—

That Order of the Day No. 2 be postponed until after the consideration of Order of the Day No. 3.

The reasons I mentioned just now are those which I offer for submitting this motion. We were practically at the end of a debate, which had occupied a long time, on a very important amendment to a clause of the Electoral Bill, and most honorable senators have come prepared to deal with it. Our minds are full of that question, and it would be well to have it settled at the earliest possible moment. I quite appreciate what Senator O'Connor said as to the Post and Telegraph Rates Bill, and I have no objection to the amendments in that measure being considered after clause 151 of the Electoral Bill has been dealt with. We ought to get off with the old love, so to speak, before we are on with the new.

Senator O'CONNOR.—Senator Symon has adopted the unusual course of making a motion which, if carried, will have the effect of taking the control of business out of the hands of the Government. No doubt he thinks he can do that, but I certainly shall oppose any such proposition. The Government have the responsibility of arranging the business on the notice-paper, and my honorable colleague and myself, after considering the whole position, have given precedence to the Post and Telegraph Rates Bill. Last night we were engaged in discussing a very important amendment to clause 151 of the Electoral Bill. We had not got to near the end of the debate, for I take it that there

are several honorable senators who wish to speak. Certainly there will be a good deal more discussion before the question is decided, and that was the reason why progress was reported last night. We might very well have continued sitting last night if there had been any probability of finishing the debate within a reasonable time, but there was not. If there was any prospect that by dealing first with the Electoral Bill we could complete our consideration of the amendments and return the measure to the other House, there might be some reason in the suggestion of my honorable and learned friend, but there is no chance of that being done. It will necessarily take some hours yet to discuss the remaining amendments in the Electoral Bill. Several important questions have yet to be considered, and the probability is that it will take some hours, if not the whole of this sitting—it may be longer—to conclude the consideration of the amendments. The honorable and learned senator supposes that we are to plunge into a long discussion.

Senator FRASER.—Dispose of the clause.

Senator O'CONNOR.—We shall not dispose of the clause at present unless a majority of the Senate compels us to do so.

Senator Sir JOSIAH SYMON.—If the honorable and learned senator will agree to dispose of the clause, I do not wish to press the motion.

Senator O'CONNOR.—Certainly not. If the honorable and learned senator thinks that he can take the control of the business out of the hands of the Government, he had better do it, but I shall not consent to it. The Postmaster-General assures me that it ought not to take very long to deal with the amendments of the other House in the Post and Telegraph Rates Bill.

Senator Sir FREDERICK SARGOOD.—Oh, yes, it will!

Senator O'CONNOR.—My honorable and learned colleague is, I think, just as good an authority—perhaps very much better on that point—as is the honorable senator. He tells me that it will not take more than a couple of hours to deal with the amendments.

Senator PULSFORD.—It would not take more than ten minutes if we swallowed them at once.

Senator O'CONNOR.—Even if it should take the whole evening, surely a measure which involves very important questions, and affects the business of persons all over

the Commonwealth, ought to be dealt with at the earliest possible moment. Exercising our judgment, we say that it ought to be considered and returned to the other House, and then we shall be in a position to go on with the Electoral Bill. I cannot understand the anxiety of Senator Symon to proceed with the Electoral Bill at once. There must be some tactical reason behind his motion. Probably he is afraid that he may lose some votes if it is not proceeded with at once. Probably he thinks that there is some party or tactical advantage to be gained by taking this course. Otherwise he has offered no reason in support of his proposal. If the Senate were to adopt his view, and, in order to give him some tactical advantage in the matter of the Electoral Bill, it were to delay the completion of the Post and Telegraph Rates Bill, it would be allowing itself to be made a tool of for the party purposes of honorable senators, who wish to defeat the proposals of the Government. I object to the motion.

Senator MCGREGOR (South Australia). — I hope that Senator Symon will see the wisdom of withdrawing his motion. I do not think that he has any sinister object in taking this course. I think it has been taken without very much thought on his part. I know that a number of honorable senators are desirous of debating the question at considerable length. If the Senate had been of opinion that the matter under discussion last night would be ended quickly, the sitting would have been extended beyond ten o'clock. The Post and Telegraph Rates Bill is not of so contentious a character as the Electoral Bill, and as the business of the country really requires the passage of the measure, it is desirable that its machinery should be put into operation immediately. There is no need to pass the Electoral Bill so quickly, because some time will elapse before there will be any necessity for putting it into operation. Every one hopes that the death or resignation of a Member of Parliament will not necessitate an election in the near future. I, therefore, request Senator Symon to withdraw his motion, and let us get through with the Post and Telegraph Rates Bill as soon as possible.

Senator CLEMONS (Tasmania). — It seems to me that the Vice-President of the Executive Council has adopted tactics which he has used before, and has offered criticisms upon matters which were not touched upon by Senator Symon. Our position is that, as

we have reached a certain stage in the discussion of one of the clauses in the Electoral Bill, it is a fit and proper thing to finish that discussion before we take up new business. When the Electoral Bill was first introduced we were told that it was a matter of extreme urgency. I did not share that belief, but I made no undue attempt to burke it. My conscience is clear on that point. What is now proposed is far more likely to delay the passage of the measure than anything which has previously occurred. There has been so much delay in connexion with the Electoral Bill that it may now be regarded as urgent that it should become law as soon as possible. We now find, however, that those honorable senators who were formerly so anxious to have the measure passed are doubtful about it, because in its present form the Bill is not so pleasant as they thought it was going to be.

Senator DAWSON (Queensland). — I hasten to relieve the troubled conscience of Senator Clemons, and to assure him that my own conscience is quite clear in connexion with the Electoral Bill. I have no qualms in determining to support the Government on this occasion. If Senator Symon's motion is carried it will be a distinct vote of censure upon the Government. If a similar motion were carried in the House of Representatives, the Government would have to tender their resignation; and, although that course would not be followed in the Senate, the carrying of the motion would be a distinct expression of opinion that the representatives of the Government were not fit to direct the conduct of business. I am aware of no reason that would justify honorable senators in taking such action. Therefore, if for no other reason, I urge honorable senators, whether they believe in the policy of the Government or not, certainly not to take extreme action of the kind proposed.

Senator KEATING (Tasmania). — I hope that the motion proposed by the leader of the Opposition will not be passed. There is one particular reason why the order of business laid down by the Government should be followed. In the first place, the Post and Telegraph Rates Bill was passed by the Senate some months back, and was sent to another place. After a delay it has been dealt with by them. Undoubtedly the people of Australia are waiting for a final settlement of the matter. At present we have a

variety of postal and telegraphic rates prevailing in the different States. In the interests of the commercial community and the people generally it is desirable that uniform rates should be adopted as early as possible. No doubt it is also desirable that we should have a uniform electoral law. Senator Clemons, however, is hardly correct in his criticism of the desire of some honorable senators to have the Electoral Bill dealt with at an early stage. The question is not whether we shall get the Electoral Bill through quickly, but whether that Bill shall be passed this session or not. The people of Australia are not waiting for a uniform electoral law as they are for uniform postal and telegraph rates. I hope that that Bill will very soon be placed upon the statute-book, in order that the people may be enabled to reap the benefit of amalgamation in the postal and telegraphic system of the Commonwealth.

Senator Major GOULD (New South Wales).—We were assured earlier in the session that it was a matter of extreme urgency that the Post and Telegraph Rates Bill should become law at the earliest possible date. Notwithstanding that, I find that the Bill was reported with amendments from the committee of the Senate on the 11th December, 1901. That is to say, more than nine months ago this Bill was dealt with, and sent to the other Chamber, where the Government have dilly-dallied with it. Since then, I believe, it has been much improved. Now that it has been returned to the Senate, the Vice-President of the Executive Council is seized with an earnest desire to have it made law immediately. Certainly, as it has been on the stocks for about a year, it is about time that it should become law, but there is no reason why it should be passed at the expense of the Electoral Bill, which, when it was previously before us, was also said to be a matter of urgent importance. The fact appears to be that, in consequence of certain amendments which have been made in the Electoral Bill, some honorable senators, who formerly were very anxious that it should become law, have grown very luke-warm, and do not want it to be passed in the shape it will assume after it has been dealt with by the Senate. Why has not Senator O'Connor given us some reasons for postponing the Electoral Bill, instead of saying merely that the Government desire to postpone it? I have not yet seen the amendments

to the Post and Telegraph Rates Bill. Honorable senators have not yet got the Bill in its amended form upon their files. Is it a fair thing to call upon us to deal with that measure before we have the amendments brought under our notice? Why not give a reasonable time for the consideration of the amendments of the House of Representatives, so as to allow honorable senators to make up their minds concerning them?

Senator DRAKE.—They were circulated days ago.

Senator Major GOULD.—The message was only sent up from another place yesterday. Has any honorable senator seen a copy of the Bill as amended?

Senator Sir FREDERICK SARGOOD. — I received a copy this morning.

Senator Major GOULD.—And we are called upon to consider it this afternoon, although there is other business which might well be taken first. It is most unreasonable for the Government to try and push the Senate into this position. We should have the fullest opportunity to consider every measure brought forward. We should not have a Bill like this called on at a moment's notice, and be compelled to run the risk of passing a clause which, upon full consideration, we might consider undesirable.

Senator HIGGS (Queensland).—I cannot understand the impetuosity of certain honorable senators, having regard to the attitude adopted by them when the Electoral Bill was first brought before the Senate. I remember that on that occasion Senator Symon inquired with great earnestness whether the Government expected to pass it, and it was said that there was no possibility of it becoming law. Some honorable senators of the Opposition wished it at the bottom of the sea; but because they have succeeded in striking out of it an important provision relating to proportional representation and in modifying it in other directions—and because they see victory within their grasp—they are now anxious that it should not be delayed. They desire to at once obtain the benefit of it. I can understand the anxiety manifested by Senator Clemons, but I cannot account for such youthful enthusiasm on the part of a mature politician like Senator Symon, who has not suffered by delay to the same extent as Senator Clemons has done. He knows the dangers of delay, and wants to see the clause relating to plumping settled

at once. Men may change their minds, and the honorable and learned senator may have reason to return to Tasmania before the Bill is finally dealt with.

Senator CLEMONS.—No.

Senator HIGGS.—He has counted heads and knows there are twenty honorable senators who will not say another word in regard to clause 151 if we at once proceed with it. Therefore, he is anxious that it should be taken at once. One fine afternoon Senator Clemons, seeing that everything in the garden was lovely, went away to Tasmania, and during his absence the Senate did the right thing. I do not see that either Senator Clemons, or Senator Symon, have any reason to fear the passage of the Post and Telegraph Rates Bill. No doubt, if we take it now, it will occasion a delay of one or two days in dealing with the Electoral Bill, but the Opposition have the numbers with them, and surely they ought to be satisfied to wait. We are not in a hurry to see the plumping clause put under the guillotine, and we are very glad that the Government find it necessary to take the Post and Telegraph Rates Bill first. A vote of censure would not count for much in this House, but still there is a means of destroying the prestige of the Government, and that means is in the hands of the Opposition.

Senator FRASER.—The Government's prestige is already destroyed.

Senator HIGGS.—That is the honorable senator's opinion.

Senator O'CONNOR.—Hands off property.

Senator HIGGS.—There is no necessity for us to aid Senator Symon in his desire to besmirch the good name and honesty of the Government by this means. Apparently, we have plenty of time before us; and as we have been here already for nearly sixteen months, there is no occasion for any violent hurry.

Senator FRASER (Victoria).—I complain that the Government have taken the Senate by surprise. Honorable senators came here this afternoon, believing that the debate on clause 151 of the Electoral Bill would be continued, and I think the Senate has a right to complain. I came here at great personal inconvenience, and, possibly, loss, in order to conclude the debate upon that clause; but the Government wish to break in upon that debate, which had nearly been concluded

when we adjourned last night. The Government, knowing perfectly well that there is a large majority against them, have done what very many Governments do — they have changed their tactics. They have set down another measure for consideration prior to that which was so hotly discussed last night, and which should have been dealt with immediately the Senate met this afternoon. If clause 151 of the Electoral Bill were disposed of, I do not think that the remainder of the amendments would occupy our attention for any length of time. Therefore, I contend that the Government, and not the Opposition, are to blame for the confusion which has occurred. When the Bill was first before us, clause 151 was debated for some time; then the measure was sent to the House of Representatives, where it was further discussed, and now that the Bill has been returned, and the Government know that they have a large majority against them, they wish to change their tactics. That is not honorable. It is not fair to the Senate. I object to the course proposed by the Government, and I simply interjected, while another honorable senator was speaking, that the Government should be compelled to do what they ought to have done without any request being made.

Senator O'KEEFE (Tasmania).—I have not been in Parliament for as many months as the years during which Senator Symon has been a member, but I have always understood that a motion of the kind now before us was certainly a vote of censure on the Government. That is the light in which I view it, and if Senator Symon were the leader of the Government, and I were one of his supporters, I should certainly vote as I intend to vote now. The consideration that the motion is practically one of censure is the only one which will prompt me to vote as I intend to do. The question of whether the Electoral Bill or the Post and Telegraph Rates Bill is the more important is a minor matter. The Government propose to change the order of business, and although it may be very inconvenient to some honorable senators, and especially to Senator Fraser, to attend here, I would remind the honorable senator that there are others who also suffer inconvenience and personal loss by being kept here month after month. I cannot regard this motion in any light other than that in which it is viewed by Senator Dawson and several others who have spoken in a

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similar strain, and therefore I shall vote against it.

Senator PULSFORD (New South Wales).—I should like to draw the attention of the Senate to the condition under which the Post and Telegraph Rates Bill was first introduced here. It was brought forward and pressed through the second reading and committee stages in one afternoon. The schedule showing the rates which prevail in the various States of the Commonwealth was only circulated amongst honorable senators whilst the debate was in progress. Indeed, I believe it was not distributed until after we had reached the committee stage.

Senator DRAKE.—A good many honorable senators had received it before.

Senator PULSFORD.—That is tantamount to an admission that the Senate generally did not receive those details. If *Hansard* is referred to, it will be found that I protested strongly against the Post and Telegraph Rates Bill being forced through under such conditions. There can be no doubt that the Bill was sent on to another place without being sufficiently considered, and that many of the amendments made by another place were very necessary. It is once more before the Senate; but, instead of having the Bill as amended, we have simply a schedule showing the amendments, and we have to compare the Bill with the schedule, in order to discover the changes which have been made. Therefore we can enter upon the consideration of the amendments of another place only with a repetition of the unsatisfactory conditions which existed when the measure was first introduced.

Senator DRAKE.—The amended Bill has been distributed.

Senator PULSFORD.—It has apparently been printed, but I have not seen a copy. Since the matter was first mentioned, I have been engaged in correcting my original copy of the Bill. In these circumstances, I think that the most reasonable course for the Vice-President of the Executive Council to pursue would be to consent to the proposal made from this side of the Senate, and to allow the business to be taken in the order which it was expected last night would be observed.

Senator DRAKE (Queensland — Postmaster-General).—I should like to add a word or two to what has been stated by the Vice-President of the Executive Council in regard to the desirability of pressing on

with this Bill. It is quite true, as has been pointed out by Senator Keating, that there is a desire throughout Australia that this Bill shall quickly become law in order that the people may enjoy the advantages of the reduced rates which it provides for. Any delay now in sending the Bill back to the other Chamber, may lead to further delay there.

Senator KEATING.—We should be collecting postage on New South Wales newspapers now.

Senator DRAKE.—I intend to say a word with regard to the New South Wales newspapers. If we miss a day or two in sending our message back to the House of Representatives, it may result in a much longer delay there, and a substantial loss to the people of Australia in being unable for the time to enjoy the lower rates provided. I have had a representation made to me from another quarter, from the representatives of the Sydney newspaper proprietors, that I should give them as long a notice as possible. But I cannot tell them when the Bill will come into force until it is passed, because it will be brought into operation by proclamation. If I now fix a date upon which to bring the Bill into operation, every day's additional delay will mean that the newspaper proprietors will have so much less notice. They are asking for as long a notice as possible upon very reasonable grounds, because they have been accustomed to the free postage of newspapers, and are consequently relying upon the Government to distribute their newspapers. As soon as this Bill becomes law, it will be necessary for them to make their own arrangements for the carriage of newspapers in parcels, and they are necessarily anxious to be given ample notice of the change. In order to meet them, I have said that I will give them as long a notice as I can, consistent with the general desire on the part of the public to obtain the advantage of the lower rates proposed. I have given instructions also that they shall be furnished with all the information available in the office to assist them in their efforts to accommodate themselves to the new state of things. I am inclined to think that the difficulty would not have been raised if it had been simply a matter of dealing with these amendments. In the first place, it has been no unusual thing for the Senate to break off the consideration of

a Bill in the middle of a discussion upon a certain clause. As a matter of fact, on some occasions the discussion upon a particular clause has been adjourned again and again. If, as Senator Gould tells us, the discussion upon the particular clause of the Electoral Bill which has been referred to has already occupied two days, what guarantee can the honorable and learned senator give that it will shortly be finished? Had it not been for the fact that in conversation with one or two honorable senators I believed that there was no chance of the discussion concluding at an early hour last evening, we probably would not have adjourned the consideration of the clause as we did. If there had been any prospect of our being able to have come to a conclusion on it in half-an-hour or so, I have not the slightest doubt that we would have gone on and finished it last night.

Senator FRASER.—We were very nearly dividing last night.

Senator DRAKE.—Not at all. So far as I could observe there was no prospect of such a thing. The speeches up to ten o'clock were lengthy, and two or three honorable senators still desired to speak upon the subject.

Senator DAWSON.—I was on my feet.

Senator DRAKE.—As the honorable senator says, he was on his feet desiring to speak.

Senator Sir JOSIAH SYMON.—Very reluctantly, and the honorable senator had a conference with the Vice-President of the Executive Council before that.

Senator DAWSON.—No, I had not. I had no conference with any one.

Senator DRAKE.—I know that Senator Dawson was desirous of speaking, because I had seen him make the attempt to do so more than once. Senator Pulsford tells us that when this Post and Telegraph Rates Bill was previously before the Senate it went through the second reading and committee stages in one sitting. I think that is correct, and I think also that if honorable senators were in their usual business-like frame of mind they could put these amendments through in a couple of hours.

Senator PULSFORD.—I said the Bill was forced through without sufficient discussion.

Senator DRAKE.—These amendments are, to a great extent, amendments of detail, and in nearly every case the matter dealt with has been discussed over and over again.

What is proposed simply amounts to some reductions upon the rates to which we agreed when the Bill was previously before the Senate. The delay which has taken place in the other Chamber in connexion with this Bill has not been due to any slackness on the part of the Government, but to the fact that when the Bill was sent up to the House of Representatives some questions arose, and more particularly one with reference to the State of Tasmania, which required considerable negotiations before the Government were justified in deciding what course they should adopt in connexion with the Bill.

Senator KEATING.—They had to hang it up for the Premiers' Conference.

Senator DRAKE.—The Premiers' Conference had a great deal to do with it; but it was afterwards found necessary that the Government should negotiate with the Governments of the different States, and when replies had been received from them there was no delay whatever in going on with the Bill. The House of Representatives then dealt with it very expeditiously, as we did, and it went through the committee stage in that Chamber in the course of two or three hours. Now that it comes back to us, it is not, I think, unreasonable to ask the Senate to deal with it expeditiously, so that the matter may be settled and the Bill proclaimed as early as possible. I can see no difficulty in the way of doing what is proposed, and I feel that under ordinary circumstances the Senate would be prepared to consider the amendments without any delay. I hope there will be no delay upon this occasion.

Senator Sir FREDERICK SARGOOD (Victoria).—We can easily understand the anxiety of the Minister in charge of this Bill to have it passed; but I ask whether it is fair to expect honorable senators to deal at once with all these amendments, not one of which I suppose has been read. I find that they were only printed yesterday, and circulated this morning. I received a copy of the amendments this morning, but so certain was I that the Bill with which we were dealing last night, would be brought on again to-day, that I did not bring my copy of the amendments upon this Bill into the Chamber.

Senator DRAKE.—It will be found that the amendments do not present any difficulty when they are explained.

Senator Sir FREDERICK SARGOOD.—Senator Drake tells us that the amendments deal with matters of detail, but I find that very important amendments have been made, and I have had no opportunity of consulting those interested in commerce to obtain their views upon them. I do not think that, under the circumstances, the honorable and learned senator will deny that it is reasonable for myself and other honorable senators to ask for time to consider these amendments. Some are of an important character, and they require considerable attention and prior inquiry. The honorable and learned senator has certainly up to the present not shown any burning anxiety to get through with this measure. Whence this new-born zeal?

Senator DRAKE.—I have never shown any slackness in pushing it on.

Senator Sir FREDERICK SARGOOD.—I am aware that the courtesy should be extended to the Minister in charge of a Bill of allowing him to bring it on for consideration when he thinks fit. I recognise also that that courtesy is due to the Vice-President of the Executive Council in connexion with the other Bill. But in proposing so sudden a change from the consideration of one Bill to the consideration of the other, the honorable and learned senator is not consulting the convenience of the majority of the members of the Senate. I do not think that the course which has been adopted will enable us to discuss the Post and Telegraph Rates Bill as satisfactorily as we should be able to do if we were given time to look through the amendments and they were brought on for discussion on Tuesday next. I have always made it a rule in Parliament to extend the courtesy to the Minister of allowing him to deal with a Bill as he thinks best. I hope that the same courtesy will be extended in this case to the Vice-President of the Executive Council, but I do deprecate the action the honorable and learned senator has taken in suddenly interrupting the consideration of another Bill in the middle of the debate upon a very important clause in order to bring on for consideration amendments in the Post and Telegraph Rates Bill, which we have never seen, and which we are now asked to consider without five minutes' notice, though they involve a considerable amount of taxation upon the public in the different States.

Senator DRAKE.—It is remission of taxation that is proposed, so far as the changes are concerned.

Senator Sir FREDERICK SARGOOD.—The honorable and learned senator knows what amendments are proposed, and I do not.

Senator CHARLESTON (South Australia).—I always like to treat the members of the Government with due courtesy, but I think the Senate has a right to expect similar courtesy from members of the Government. I do not think that we have to-day been treated with the courtesy which is due to the Senate. This Bill comes to us now really as a stranger. We have not kept the matter in our minds, and we are asked to deal with these amendments without having had time to consider their effect upon the commercial and industrial interests of the community. Seeing that the Government have acted in this manner, I feel that in order to maintain the dignity of the Senate, we should oppose the action proposed, and if the motion is pushed to a division I shall vote for it.

Senator STEWART (Queensland).—After the very direct statement of the leader of the Government in this Chamber, I am surprised that Senator Symon has not withdrawn his motion. The honorable and learned senator evidently has not considered the position in which he would place both himself and the Government.

Senator CLEMONS.—The honorable and learned senator has exposed the tactics of the Government at any rate.

Senator O'CONNOR.—The reason for the tactics of honorable senators opposite is obvious enough.

Senator STEWART.—If Senator Symon's motion is carried, it will take the conduct of the business of this Chamber out of the hands of the Government, and will place it entirely in the hands of the Opposition. We shall have this extraordinary state of affairs, that in one Chamber the Government will control the business, and in the other Chamber the Opposition will control it. I do not think that even Senator Symon himself can wish to bring about such an anomalous and such an unworkable state of affairs. I think that the representatives of the Government here have given very good reasons why the consideration of the Electoral Bill should be postponed at the present stage, and the Post and Telegraph Rates Bill should be

taken up. Senator Clemons has reminded us that honorable senators were very urgent about pushing on the Electoral Bill at one particular portion of the session. No doubt we were, and if those of us who are anxious to see electoral reform carried, thought that by any means the Electoral Bill would be shelved, we should still be anxious to see it through. But we know that the Electoral Bill is all right, and that there is no particular urgency about it. We know that even if a member of the House of Representatives dies, even though the Bill were passed into law, the election of a successor would not take place under the Commonwealth law, but under the law of the State of which the deceased member was a representative. It will therefore be seen that there is no special urgency about the matter. On the contrary, in regard to the Post and Telegraph Rates Bill, I believe that, as with the Tariff, the electors of the Commonwealth are exceedingly anxious that the telegraphic and postal rates should be settled, so that they may know exactly where they stand. We know that the Government are losing a large amount of revenue through this Bill being hung up. The newspapers of New South Wales are being carried free at present, whereas if the measure in our hands is passed, a large amount of revenue will be derived through the Postal department from that source.

Senator MCGREGOR.—And the readers of the newspapers will not pay any more.

Senator STEWART.—That is not a matter with which we are particularly concerned. There is a very strong reason why the Government should take this course. I was exceedingly surprised at the attitude taken by Senator Fraser. He said that he has come here this afternoon at great personal inconvenience, thinking that the discussion on the amendments in the Electoral Bill was to be continued. If he had chosen to be absent, I do not think that any of us in this corner would have missed him. We could have well spared him in the circumstances. He has let us see clearly what is passing in his mind. The Electoral Bill is of much more consequence to him than the Post and Telegraph Rates Bill. He inconvenienced himself very much to attend this afternoon—no doubt to vote against what he regards as some of the too liberal provisions in the Electoral Bill. Before he stood for election to the Senate he should have considered all these matters. If he thought that he could not attend to the public

business without loss and inconvenience to himself he should have remained in private life. It is out of place for honorable senators to say that they come here at inconvenience to themselves. Supposing that one of Senator Fraser's workmen said to him one morning that he had come to work at great inconvenience to himself, what would he say?

Senator FRASER.—I would let him go if I could.

Senator STEWART.—The honorable senator would simply say—"You can go about your business. I do not want a man who only comes along when it pleases him."

Senator FRASER.—Not at all.

Senator STEWART.—That is exactly the position in which the honorable senator is. He is doing things which he would not tolerate for an instant in an employé. He comes here when he pleases himself; he remains absent when he pleases himself, and I suppose he draws his money all the time.

The PRESIDENT.—Does the honorable senator think that his remarks are relevant to the question?

Senator FRASER.—He is always personal.

Senator STEWART.—Whatever loss of time has occurred this afternoon may be fairly laid at the door of the Opposition. If Senator Symon had not in this unconstitutional fashion attempted to take the business out of the hands of the Government, probably the discussion on the amendments in the Post and Telegraph Rates Bill would have been finished by now. Even if the motion is carried, where will Senator Symon be? He will not be one inch further advanced than he is. He may get a majority against the Government, but he cannot compel them to alter the business-paper. He and his supporters must see that it is their duty to allow the Government to control the order of business as it thinks proper.

Senator Sir JOSIAH SYMON (*In reply*).—Senator Stewart having effectually wasted the time of the Senate for about a quarter of an hour in discussing everything but the motion, even some of the private affairs of Senator Fraser, and having been called to order, I think we may fairly come to the real question, which cannot justifiably be mixed up with any consideration of courtesy or otherwise to Senator O'Connor. The motion was not moved from any motive of that kind, but, on the contrary, after a request to him, for reasons which are

obvious, and which have been stated by several speakers, that the consideration of the Post and Telegraph Rates Bill ought to be postponed. I have not heard one reason given why that should not have been done. The attitude which has been adopted by Ministers is neither fair nor courteous to the Senate. It is not calculated to promote the discussion of these measures; and it is not calculated to expedite the passage of the Post and Telegraph Rates Bill. Senator Drake gave as a reason some extraordinary chaotic notion of his own about giving notice to the newspapers in New South Wales. What has that to do with the question of considering the Bill to-day, or on Tuesday, or Wednesday next? Absolutely nothing. It is perfectly immaterial when the Bill is finally considered. That notice, I presume, will have to be given. When we remember that the Bill, which has been long in abeyance, which, in a certain sense, has been asleep, like Rip Van Winkle, for many months, is suddenly revived without any notice, on a message from the other House, received late last night under circumstances which prevented the possibility of our having the amendments before us, or our having an opportunity to consider the print of the Bill showing the amendments, it would have been a fair and courteous thing to the Senate for Ministers to have said—"Very well, we will postpone the consideration of the Bill until the other order of the day has been disposed of." But instead of meeting us fairly in that way—and I am very glad that we have had this opportunity of protesting most emphatically against the disarrangement of the business—the paper has not been arranged for the convenience of the Senate, which is the first thing to be considered. Some honorable senators have told us, as Senator Keating did, almost with tears in his eyes, that we are taking the business out of the hands of the Government. Surely the Senate has a say in the order of business for its own convenience, and when that expression of opinion is given by the Senate it is only right that the Ministers should yield to it, and give every possible facility for the proper transaction of the business. One honorable senator said that we were besmirching the good name—I suppose he meant the political good name—of my honorable friends at the table. That was sufficiently answered by an interjection of Senator Fraser's, that there is no *prestige* to be

Senator Sir Josiah Symon.

besmirched. Therefore, I need say nothing further on that ground. I am also told that the motion, if carried, would be equivalent to a vote of censure. I have not the least wish to pass any censure on the Government, and I certainly have no desire to take the control of business out of their hands, but I do submit that the Senate should express very emphatically its opinion, as it has done, about such an arrangement of the business as precludes the possibility of continuity in the consideration of questions. Senator Drake has referred to the debate last night on an amendment to clause 151 of the Electoral Bill. All the stuffing was knocked out of it by the speech of Senator Playford. There was not a squeak, if I may use a common expression, in the supporters of plumping after that speech was delivered. I entirely disagree with the contention of Senator Drake that the debate was not nearly finished last night, that it might have been continued for a considerable time, and that if resumed to-day it might have continued much longer. I venture to say that if resumed to-day it would have been concluded in the briefest possible time, because all the stuffing was knocked out of it last night by the speech of Senator Playford, as is admitted by Senator Higgs, who says that he is agreeable to the interposition of the Post and Telegraph Rates Bill, because it will delay the fall of the guillotine on the plumping proposal for a few days longer. Senator O'Connor said that I had some tactical reason for submitting this motion. I had none whatever. It is conceded on all hands that there is a big majority against plumping. If anything in the way of tactics has been introduced it has been by Senator O'Connor and his friends, who are supporting the plumping amendment. They are in terror of the immediate determination of the question by the Senate, and they hope that by a few days' delay they may be able to change the opinion of some absentees with the view of perhaps snatching a catch verdict.

Senator O'CONNOR.—There is no foundation for that statement.

Senator Sir JOSIAH SYMON.—I have a far better authority for the statement than my honorable and learned friend had for his sneer about my motive being a tactical one, with the view of securing votes in favour of my contention. I have the authority of Senator Higgs, who rejoices that the consideration of the Electoral Bill will be put

off for another day or two to save the guillotine from descending on the plumping proposal. When my honorable and learned friend says that I have no foundation for my statement, I reply that I have the foundation of his own suggestion to me, and the foundation of his supporter, Senator Higgs, who supports the idea of plumping.

Senator O'CONNOR.—I am not responsible for his conduct.

Senator Sir JOSIAH SYMON.—My honorable and learned friend is not responsible for the view of Senator Higgs, but when he says we are submitting this motion for a tactical reason, I invite him to consider what his supporter says, who is largely interested in the question of plumping. I have no wish to increase the load of censure always resting on the Government. I do not wish to add one straw to that load on their backs; therefore I ask leave to withdraw the motion.

Senator HIGGS.—I object.

Question put. The Senate divided.

Ayes	...	...	13
Noes	...	...	18
			—
Majority	...	...	5

AYES.

Charleston, D. M.	Pulsford, E.
Ewing, N. K.	Sargood, Sir F. T.
Fraser, S.	Symon, Sir J. H.
Gould, A. J.	Walker, J. T.
Macfarlane, J.	Zeal, Sir W. A.
Millen, E. D.	Teller.
Neild, J. C.	Clemons, J. S.

NOES.

Baker, Sir R. C.	McGregor, G.
Barrett, J. G.	O'Connor, R. E.
Best, R. W.	O'Keefe, D. J.
Dawson, A.	Playford, T.
De Largie, H.	Smith, M. S. C.
Dobson, H.	Stewart, J. C.
Drake, J. G.	Styles, J.
Glassey, T.	Teller.
Higgs, W. G.	Pearce, G. F.
Keating, J. H.	

Question so resolved in the negative.

POST AND TELEGRAPH RATES BILL.

In Committee (Consideration of the House of Representatives' amendments):

Amendment in clause 1 agreed to.

Clause 5 (Rates to be paid on Government correspondence).

Senator DRAKE (Queensland—Postmaster-General).—The committee is aware that a request was made some time ago by

the Queensland Government that telegraph messages with regard to meteorological information should be allowed to pass over the wires in that State free for a certain period. The matter was very carefully considered, and seeing that the Meteorological department in Queensland, under Mr. Wragge, had been in the habit of publishing weather forecasts, which were highly valued throughout Australia, it was considered that it would be almost a public misfortune if that work should suddenly cease. The Queensland Government proposed to subsidize Mr. Wragge's work to a considerable extent, and they requested that telegrams might be permitted to be carried free. It was arranged to allow the telegrams to go free to the extent of £3,500 per annum, pending the passing of this Bill. The amendment carried in the House of Representatives provides that, subject to regulations, meteorological telegrams may be transmitted without charge, until the establishment of a Commonwealth Meteorological department. The arrangement is of a temporary nature, and I think that no one, who knows the value of the work done by Mr. Wragge, will dispute the fact that public service will be rendered by allowing his messages to be transmitted without charge. I move—

That the committee agree to the amendment of the House of Representatives adding the words—
“Subject to such regulations as the Government may prescribe, telegrams may be transmitted without charge on behalf of the Meteorological department of, or subsidized by a State until the establishment of a Commonwealth Meteorological department.”

Senator STEWART (Queensland).—No one is more sensible than I am of the value of the meteorological institutions established in Australia. They are admirable, and render great services to the community. But that is no reason why they should be permitted to send their telegrams free. We have had some experience of the extravagance that is possible in a department of this character in Queensland, where a very large portion of the time of the telegraph officers was taken up in transmitting for the Meteorological department messages for which no money was paid. We, as a Commonwealth Parliament, are responsible for the carrying on of the Post and Telegraph department. The public look to us to see that this department shall be carried on at a profit, or, if there must be a loss, at as little cost to the community as possible.

My contention is that the department should be paid for any services rendered. In the case of services rendered to a State it would be a mere matter of bookkeeping to carry out what I suggest, and no money payments would be made. But so far as the Commonwealth is concerned the aspect of the question is entirely different. If there is a large deficit in the postal and telegraphic revenue at the end of the year the States will accuse us of extravagance. They will not take into consideration the fact that a very great amount of business has been done for them by the department free of cost. The best plan both in the interests of the States themselves and of the Commonwealth would be to place the department on a business footing. Let it be paid for any telegrams despatched in the ordinary way and at the ordinary rates. Then we shall have an exact account of the services rendered to the public by the department, and what they cost the various States.

Motion agreed to.

Senator DRAKE.—I move—

That the committee agree to the amendment of the House of Representatives inserting the following new clause:—

“7A. All Braille and Moon postal articles shall be conveyed without charge, under departmental regulations.”

The object of this new clause is to allow what are called Braille and Moon publications to be sent through the post without charge. These publications are issued for the use of the blind. They consist of pricked-out sheets of paper, prepared often by persons who do the work voluntarily, containing passages of literature which the blind people are able to read by touch. In the past these publications have been permitted to go through the post as newspapers. Strictly speaking, however, they are not newspapers, and difficulties may arise if we continue that plan in the future. The idea now is that the sheets shall go through the post free. The sum involved is quite inconsiderable. I am informed that it amounted to something like £100 in Victoria.

Senator STEWART (Queensland).—I must again raise my protest against this method of doing business. I have no objection to every consideration being offered to the blind, but I fear that if a certain privilege is given to one portion of the public, various other sections will demand similar privileges. In the end we shall find ourselves in exactly the same position as that

into which the Victorian Post and Telegraph department got before federation. A very large amount of the work of the department will be done for nothing in the interest of a number of institutions.

Senator Sir WILLIAM ZEAL.—We are not aware of it in Victoria.

Senator STEWART.—Many things have been done in Victoria of which the honorable senator knows nothing. If he had known, probably he would have taken steps to stop them. If Senator Zeal will visit the office of the Postmaster-General, and ask him for particulars of the amount of franking that was done in Victoria before the Commonwealth took over the department, I believe he will be astonished.

Senator Sir FREDERICK SARGOOD.—Hear, hear.

Senator STEWART.—I am not objecting to what is being done in the interests of the blind, but I am afraid what is proposed will be taken as a precedent. The Postal department will be assailed from every quarter with demands for similar privileges. I hold that the department should do nothing for nothing. It ought to be paid in some way or other for every service performed for the public. There should be no franking.

Motion agreed to.

FIRST SCHEDULE.

NEWSPAPERS.

On all newspapers posted (without condition as to the number contained in each addressed wrapper), by registered newspaper proprietors, or by newsvendors, or returned by an agent or newsvendor to the publishing office.—One penny per lb., on the aggregate weight of newspapers so posted by any one person at any one time.

On all other newspapers posted within the Commonwealth for transmission therein.—For each newspaper—One halfpenny per 8 ozs., or fraction of 8 ozs., avoirdupois weight.

Senator DRAKE.—I move—

That the committee agree to the amendment of the House of Representatives inserting after the word “posted,” line 1, the words “for delivery within the Commonwealth.”

The object of the first amendment is to meet the criticism that without these words the newspaper rate might be taken to apply to newspapers published outside the Commonwealth. They are dealt with by international agreement.

Motion agreed to.

Senator DRAKE.—I move—

That the committee agree to the amendment of the House of Representatives omitting the word “lb.,” line 6, and inserting in lieu thereof the words “20 ozs.”

This amendment is of importance, and I should like to explain clearly how the matter stands. Honorable senators are aware that at the present time a charge is made for the postage of newspapers through the Postal department in three States, while in the other three they are carried free of charge. In the three States, in which a charge is made the rate is $\frac{1}{2}$ d. up to 10 ozs. The amendment which I have introduced in the Bill, and which will be of great relief to newspaper proprietors in the States where a charge is made, provides for the carriage of newspapers in bulk at 1d. per lb., delivering them separately, so that eight copies of a newspaper, weighing 2 ozs., would go for 1d. But in proposing that rate I could not consistently allow a newspaper weighing more than 8 ozs. to go through the post for $\frac{1}{2}$ d., as it had gone before. The matter gave me considerable anxiety, because I was anxious to introduce what would be a very low rate for newspapers weighing only 2 or 3 ozs.; and, at the same time, I was not desirous of increasing any rate. I found that there was a very strong feeling against any increase, much stronger than I thought to be the case in the first instance; and, therefore, I was in this position, that either it was necessary to still further reduce the rate of 1d. per lb., or else charge a higher rate than we had charged before for newspapers weighing over 10 ozs. The amendment reduces the rate from 1d. per lb. to 20 ozs. for 1d. By carrying $1\frac{1}{4}$ lbs. for 1d., and charging by weight, we impose a still lower rate for the very light newspapers, while we enable the heavy newspapers to be carried at the same rate of postage as before. The amendment will enable a newspaper weighing over 8 ozs. to be carried as before for $\frac{1}{2}$ d., but it will make the rate lower than it was before to proprietors of the smaller newspapers. It means, of course, a certain loss of revenue. I have considered the matter, and although I can form only a rough estimate, I think we shall be able to bear the loss. In accepting this amendment, I have been influenced by the consideration, more than any other, that although it will mean a reduction of the rates in the States which have been paying newspaper postage before, we must, having regard to those States in which no charge has been made, make the rate now proposed as moderate as we can, consistently with the proper administration of the finances of the Post and

Telegraph department. I hope the committee understand that under this Bill we shall derive a considerably larger amount of revenue from the carriage of newspapers than in the past, because we shall make a charge in the States where newspapers have hitherto been carried free.

Senator PLAYFORD (South Australia).—It is all very well for the Postmaster-General to say that while we shall lose revenue on the one hand, we shall gain on the other. He must recollect that as long as the bookkeeping period continues the loss will fall on the smaller States. They are the States which should not suffer a loss. Considerable reductions are proposed in regard to newspaper postage in South Australia, and that State will suffer a loss. I do not see how we shall gain a *quid pro quo*, because New South Wales, which has not had any newspaper postage charge, will gain considerably. It is a one-sided position, and there is nothing fair in the Postmaster-General's argument that what weighed with him most in accepting this amendment was the consideration that the revenue as a whole would be just about balanced. Only one State will gain any revenue.

Senator DRAKE.—South Australia will obtain revenue. There were three States in which no charge was made for newspaper postage.

Senator PLAYFORD.—South Australia will come out very badly. We have had newspaper postage there for many years, but this amendment proposes a reduction in the old rates. Considering that we have to pay our postal officials considerably more than we had to do prior to federation, I think that instead of the department in that State coming out with a balance on the right side of the ledger, the State itself will have to dip into its ordinary revenue to make good the loss.

Senator MCGREGOR (South Australia).—I would point out to Senator Playford that South Australia will not suffer very much from this proposal. Under it, we shall have a $\frac{1}{2}$ d. postage for newspapers. That is the general rate. Save in very exceptional circumstances, newspaper proprietors do not send parcels of newspapers by post in South Australia, because there the railways go to almost every place to which newspapers are sent. The newspaper proprietors send their parcels by rail instead of by post, because it is cheaper for them to do so. In these circumstances, I

do not think there is any occasion for alarm in regard to this reduction, so far as it affects South Australia. Let us hope for a better time when there will be a more equitable distribution of the revenue, and the smaller States will obtain a greater benefit.

Senator O'KEEFE (Tasmania).—It seems to me that the argument in favour of the amendment is that it will chiefly affect the proprietors of a few large weekly newspapers. I understand that several large weekly newspapers published in some of the big cities of Australia, and read very largely throughout the Commonwealth, weigh a little over 8 ozs. each, and under the clause as it stood originally those newspapers would have had to pay 1d. postage. It may readily be surmised that in that event the increased rate would have been passed over to the subscribers. The only point which we should consider is whether, for the sake of securing a little extra revenue, it is worth while to impose the extra charge upon the people who depend very largely upon the weekly newspapers. I am not in love with the idea that we should make anything like liberal concessions to the owners of the big newspapers, who can well afford to pay, but I do not think it is worth while resisting the amendment.

Motion agreed to.

Remaining amendments in the 1st schedule agreed to.

Second schedule.

Senator DRAKE.—This schedule has been amended. As a matter of convenience the old schedule in Part 1. relating to ordinary telegrams has been struck out, and a new one inserted as follows :—

	Town and Suburban within Prescribed Limits, or within Fifteen Miles from the Sending Station.	Other Places within the State, except Town and Suburban.	Inter-State, i.e., from any One State to any Other State.
Including address and signature—			
Not exceeding sixteen words ..	Sixpence ..	Ninepence	One shilling
Each additional word	One penny	One penny	One penny

The rate originally proposed for the transmission of telegrams was ½d. per word for town and suburban messages within

prescribed limits, with a minimum of 6d. for twelve words ; ¾d. per word for other places within each State, or twelve words for 9d., and 1d. per word for a message from one State to any other State, with a minimum of 1s. for a message of twelve words. Objection was taken to the proposal, more particularly in Victoria, that under these rates a charge should be made for addressees and signatures. In all the States of Australia it has been customary, up to the present time, to allow addresses and signatures to be transmitted free of charge ; but the rate per word has been higher. In each State save Victoria, the rate for town and suburban messages has been ten words for 6d.

Senator KEATING.—No. In Tasmania the rate is ten words for 1s. There is no suburban rate.

Senator DRAKE.—According to my information there is. In all the other States save Victoria the rate for telegrams within a State has been ten words for 1s. and 1d. for every additional word. In Victoria the rate has been nine words for 9d., but addresses and signatures have been transmitted free. In proposing the very low rates which originally appeared in the Bill, I assumed that the department would be paid for addresses and signatures. A great deal of objection was raised to that proposal, however, upon the ground, first of all, that the people had not been accustomed to that system, and upon the second ground—which perhaps was more tangible—that the charge for the addresses and signatures made the rate for telegrams within a State somewhat higher—for messages of a certain length—than that which previously prevailed in any of the States, and particularly in Victoria. My object was to fix the uniform rate as low as possible, and that it should also be a payable one. I find that, as in the case of newspaper postage, there is a very strong indisposition on the part of the people to pay a higher charge than they have been paying for any kind of telegrams. They say that it is better that the department should lose that revenue than that trade should be hampered in any way by increased charges. A number of representatives of the mercantile community have asked that the addresses and signatures should continue to be sent free ; but I could not possibly concede that with the very low rates of ½d., ¾d., and 1d. However, after considerable discussion, the Government

consented to add four words to the minimum message; and, instead of allowing only twelve words for the minimum message, we now propose to allow sixteen words, which will be sent in city and suburbs for 6d., within a State for 9d., and from one State to another for 1s. As some slight compensation for the loss of revenue involved in making that concession, we propose that the charge for each additional word, whether in the case of telegrams in town and suburbs, in a State, or between one State and another, shall be 1d. This proposal has the merit, perhaps, of simplicity; but the disadvantage from my point of view, that it is not quite symmetrical, because it proposes a somewhat higher charge for the additional words than for the words in the minimum message. It has the other disadvantage that it involves of course a loss of revenue to the department, but I am hopeful that the lower rates will lead to an increase of business, and that in that way we shall come out all right. I move—

That the amendment be agreed to.

Senator FRASER (Victoria).—I agree with what Senator Drake has stated in the main, but I desire to call the honorable and learned senator's attention to one matter. The charge of an additional 1d. per word for every word beyond the minimum message will result, as a similar charge has resulted in the past, in messages being divided. The honorable and learned senator if he is conversant with the details of his office, as I believe he is, will know that it frequently pays handsomely under present conditions to divide messages. For instance, the present rate charged for a telegram between Victoria and New South Wales is 1s. for ten words, and 2d. for each additional word. If, in the same message, ten additional words are sent, the charge will therefore be 2s. 8d., while if the message were divided into two telegrams, it could be sent for 2s. The extra rate proposed will simply mean that the department will lose money in that way, and it will continue a system that is not sound in a business sense. I quite agree with Senator Drake, that addresses and signatures should be charged for. Under present conditions, in nine telegrams out of ten, a great many unnecessary words are used for addresses and signatures.

Senator Sir FREDERICK SARGOOD.—The system gives greater facilities for finding out the persons to whom telegrams are addressed.

Senator FRASER.—My contention is that a great many unnecessary words are used. For instance, a telegram might be sent from New South Wales addressed to "Sir Frederick Sargood, Melbourne," when "Senator "Sargood," or possibly "Sargood" would be sufficient.

Senator DRAKE.—The matter referred to by Senator Fraser has not been lost sight of, but the difficulty which the honorable senator mentions will not occur under this schedule, or certainly not to the same extent as under the existing system. I have gone into the matter very carefully, and I find that there are very few cases in which it will be any saving to split a message in the way suggested by Senator Fraser. Under the existing system, a telegram of ten words, with address and signature free, is sent from Victoria to New South Wales for 1s., and each additional word is charged 2d. It is, therefore, clear that a person desiring to send a message of twenty words can make a saving by splitting the telegram and sending two messages, and in that way the department is also compelled to send the address and signature twice over for nothing. That cannot be done if these rates are agreed to. If in such a case a message is split up, the address and signature will have to be paid for twice over. The honorable senator will find, upon working it out, that there will be very few instances in which it will pay any person to split messages when he will have to pay for the address and signature. Before I sit down, I should like to refer to another amendment made in the schedule in the direction of liberality, and that is in the addition of the words after the words "prescribed limits," "or within 15 miles from the sending station." The question arose as to what should be the limit for the 6d. telegram. It is sometimes a very difficult matter to decide as to whether a particular town should have the benefit of the cheap telegram and as to how far the limits should extend. Honorable members in another place cut the Gordian knot by an amendment which the Government accepted, permitting messages to be sent 15 miles in any direction from any telegraph station at the low rate. This, of course, will obviate the difficulty of defining the expression, "town and suburbs."

Senator DOBSON (Tasmania).—The question of rates has been so much discussed, and I think we are so familiar with what the other House has done in this

respect, that, for my part, I am willing to accept the amendments as they are placed before us. But I have risen to ask the Postmaster-General if he has considered whether some of these rates will not involve a differential treatment of a State, and will be to that extent a violation of the 99th section of the Constitution. We know that for purposes of trade and commerce there are no State boundaries and the Commonwealth is one. We know that intercourse throughout the Commonwealth must be free, and section 99 of the Constitution says —

The Commonwealth shall not, by any law or regulation of trade, commerce, or revenue, give preference to any one State, or any part thereof, over another State, or any part thereof.

I do not think much can be said about the disadvantage of a small State like Tasmania, and a comparatively small State like Victoria, having to pay 9d. for sending a telegram a short distance, whereas in Western Australia the same telegram may be sent 2,000 miles for the same amount. The difficulty arises in connexion, for instance, with the Riverina and with Broken Hill. The charge upon a telegram from Victoria to Riverina would be 1s; and although the distance is twice as far from Sydney to Riverina, the charge for a telegram from Sydney to Riverina would be only 9d. A greater difference still appears in reference to Broken Hill. The charge upon a telegram from Adelaide to Broken Hill would be 1s., and yet the charge from Sydney to Broken Hill, four times the distance, would be only 9d. The simple question I desire to raise is whether that is not a preference to one part of the Commonwealth over another, and is not, therefore, to some extent, an infringement of the 99th section of the Constitution. I do not say that it is an infringement of the Constitution, but I ask Senator Drake if his attention has been called to the matter, and if he is quite clear that it is not?

Senator PULSFORD (New South Wales). — I desire to draw attention to this matter, though not from the point of view from which it has been considered by Senator Dobson. It appears to me that the arrangement of rates for telegrams is distinctly unfederal in its character. We have just now agreed to a uniform rate upon newspapers throughout Australia. We have agreed that a newspaper may be posted in any part of the Commonwealth, and delivered in any

other part of the Commonwealth for the rates stated. But now, when we come to deal with telegraphic rates, a different course is adopted, and we are asked to approve of one rate within a State, and of a different rate as between one State and another, notwithstanding the fact, which Senator Dobson pointed out, that very frequently the result may be that the high rate will be charged for the short distance, and the low rate for the long distance. This appears to me to be unbusiness-like and unfederal. I am not quite sure that the committee has now the power to make the alteration which I should like to see made, because I raised the same point when the matter was before us in December last, and I was then beaten upon it. The other House has since then adopted a new schedule, but under practically the same provision, and I am not quite sure, therefore, whether I shall be in order in moving the amendment I should like to see made. I desire to have the fourth column of the schedule omitted, and the third column made to apply to all telegrams within the Commonwealth.

Senator STEWART (Queensland). — I desire to move an amendment prior to that to be proposed by Senator Pulsford. I wish to have the word "not" inserted before the words "Including address and signature." Our ambition ought to be to lower the cost of sending telegrams rather than to increase it. The common business idea is that the cheaper the services are made the more they are availed of by the general public. The address and signature have always to be given. Under the existing rates, John Smith, 284 Bolsover-street, Rockhampton, can send a ten-word telegram to Fred Jones, 24 Montague-road, South Brisbane, for 1s. The address and the signature would number eighteen words, or two over the limit, and it would cost 11d. Therefore, under the new rate a ten-word message would cost 1s. 9d. This is a decidedly reactionary step. It must be apparent to every one that the tariff of rates has been framed entirely in the interests of the commercial classes.

Senator Sir FREDERICK SARGOOD. — They do not think so.

Senator STEWART. — If they have any objection to the tariff, why does not the honorable senator get up and make it?

Senator Sir FREDERICK SARGOOD. — There is no time.

Senator STEWART. — I can easily understand that, in the case of a business house in Rockhampton wiring to a business house in Brisbane, the signature and the address might comprise very few words. These charges will operate much more heavily upon the general body of the community than do the existing charges. In the case I cited, the charge is increased by nearly 100 per cent., yet the Minister says that it is a more liberal tariff than the existing one. Instead of helping the department to get business, it will operate in exactly the opposite direction.

Senator FRASER.—In the case which the honorable senator cited, the Christian name is not required if the number of the house is given.

Senator STEWART.—There might be two or three Smiths living in the same house. I am not very sure that the department would deliver a message which was not fully addressed. It is usually very careful to get not only the exact address of the receiver, but also the address of the sender. I move—

That the amendment be amended by the insertion of the word "not" before the words "including address and signature."

Senator DRAKE. — Senator Stewart must see that if we are going to pay our compositors, messenger boys, and other employes we must have some revenue. This scale is cut down as low as it can be.

Senator STEWART.—It is much higher than the existing one.

Senator DRAKE.—It is very much lower than in the city of London, with 4,000,000 inhabitants. The charge for a message of twelve words, including address and signature, is 6d. We propose to send sixteen words for the same amount. Senator Stewart would make the address and signature free. He cited a case in which the address and signature numbered eighteen words. He would, I presume, have us send 34 words for 6d., whereas in London the limit is twelve words. In Queensland the present charge is 1s. for ten words, exclusive of the address and signature. We propose to send sixteen words for 9d., including the address and signature, all over the States. No reasonable case can be cited in which that will not be lower than the existing rate. Of course, cases may be cited where the addresses and signatures occupy so many words that the charge will come to

more than that sum. It has been ascertained, after very careful inquiry, that in cases where the address and signature are sent free, the average is eight words, and where the address and signature are charged, probably the average is six words. Taking six words as the average number in the address and signature when they have to be paid for, in Queensland the charge for sixteen words will be 9d. instead of 1s. I can assure the committee that the proposed rates are very low indeed.

Senator STEWART (Queensland).—My contention is that the new charges will press much more heavily on the great body of taxpayers in Queensland than do the present charges. Supposing that "John Smith, Bolsover-street, Rockhampton," sends a telegram to "Fred Jones, Montague-road, South Brisbane." The address and the signature could not be shortened unless John Smith happened to be a well-known business man. In this case the address and signature number eleven words, leaving five words for the message. Supposing that the sender wishes to transmit a ten-word message, he will have to add five words, costing him 5d. extra. Instead of that message being sent for 1s., as it is now, it will cost him 1s. 2d. I think that Senator Drake must see that the proposed charges are higher than the present ones.

Amendment of the amendment negatived.

Senator Sir FREDERICK SARGOOD (Victoria).—I wish to call attention to the heading of the first column. Apparently the intention is that these telegrams shall be delivered within 15 miles from the sending station, but at the head of the first column I find the words "town and suburban, within prescribed limits." The prescribed limits might be 10 miles.

Senator DRAKE.—We shall have to carry for 15 miles.

Senator Sir FREDERICK SARGOOD. —It says—

Town and suburban, within prescribed limits, or within 15 miles from the sending station.

I think that there is a little confusion in the wording of the heading. I assume that it is intended that it should be any distance within a radius of 15 miles.

Senator DRAKE.—Yes.

Senator Sir FREDERICK SARGOOD. —Why not say so? Why put in the words "prescribed limits or." Apparently the words used give a power to the Minister

Senator DRAKE.—They will still have their £5,600.

Senator KEATING.—And their £4,200 additional subsidy.

Senator DRAKE.—I cannot tell the honorable and learned senator that negotiations are actually proceeding in the direction of the acquirement of the cable, but I can assure him that the matter will not be lost sight of. We should, however, have to pay a high price for the cable, and I cannot see that there is very much prospect of its being acquired in the early future.

Senator PULSFORD (New South Wales).—I trust that the Postmaster-General will do his best in the direction indicated by Senator Keating. I have already suggested the desirability of having a uniform federal system, and if there are any little faults, such as are indicated in connexion with the cable service, which prevent the inauguration of a truly federal service throughout Australia, I trust that the Postmaster-General will regard it as his duty to try to remove them. If he does, he will have at his back the support of representatives such as myself.

Senator MACFARLANE (Tasmania).—I had intended to move the omission of the words—

On telegrams from and to Tasmania, the charges to be those mentioned above, with cable charges added.

When I moved to this effect before, I was supported by fifteen votes to seven. My object was to bring about uniformity. As Senator Pulsford has said, the present arrangement is really unfederal in character. My fellow senators from Tasmania have to a certain extent cut the ground from under my feet, and I do not intend to move for the omission of the words to which I have called attention; but I should like to read what Sir John See, the Premier of New South Wales, said on this matter at the conference of Premiers. He said—

I think that any loss caused to a State in consequence of the alteration of an agreement in connexion with cable rates should be a federal charge. I think it is absolutely fair that where a State is under an obligation to carry out a contract it is to its advantage, as well as to the advantage of the Commonwealth, that the Federal Government should meet the deficiency. This concerns all the States.

Upon that subject the motion was carried unanimously that the States should contribute any loss on a basis of population.

Senator DRAKE.—Some of them do not seem to have adhered to that resolution.

Senator MACFARLANE.—I know that it has not been confirmed, but there was a general feeling amongst the members of the conference that there should be a uniform system throughout the Commonwealth, and that Tasmania should not be made to suffer.

Senator FRASER.—She suffers because she is separated by sea.

Senator MACFARLANE.—The cable is of as much advantage to the other States of the Commonwealth as to Tasmania. The Commonwealth should take it over and work it for the mutual benefit of all the States. It was that desire which actuated me in submitting a certain motion when the matter was last before the Senate, and if I thought I could obtain sufficient support I should certainly move again in the same direction.

Senator DOBSON.—The loss would fall upon Tasmania.

Senator MACFARLANE.—It must do so in any case. It is only a question of a year or two, and it is better that it should come at once.

Senator FRASER (Victoria).—Unfortunately for the people of Tasmania, the authorities there some years ago made a very foolish and unbusiness-like bargain with a grasping company, and the only thing which they can do is to wait until they are able to put their feet down firmly.

Senator MACFARLANE (Tasmania).—In regard to the very unbusiness-like bargain to which Senator Fraser has referred, I would point out that a few years ago the representatives of the whole of the States met and made an arrangement in regard to the subsidy, and that Victoria alone guaranteed to recoup Tasmania the first £1,000 loss. There is evidence of that, and I fail to see why Victoria should now withdraw. The present position is said to be the fault of Tasmania. If that be so, I regret it very much, but I cannot see why an Inter-State agreement of that kind should not be carried out to the letter.

Senator DOBSON (Tasmania).—I regret very much that Senator Macfarlane did not communicate with some of his colleagues from Tasmania, if he really thought of moving the amendment to which he has referred. In a matter of this kind, we ought to pull together. Although I would join him in any reasonable action to make the telegraph system of the Commonwealth

a federal one, and to carry out what really was the intention of the Premiers who met in conference, still, by taking such action at this time of the day my honorable friend would be acting contrary to the wishes of the State Ministry. On discovering that during the bookkeeping period Tasmania would be debited with any loss following upon the omission of these words, Mr. Bird, the State Treasurer, came over here, and urged the re-insertion of the clause. The House of Representatives have re-inserted the clause chiefly, if not solely, at the instance of the Tasmanian Ministry. I agree with my honorable friend, that if it would not be an invasion of the Constitution, it would certainly be a federal act to provide that Tasmania should not have to pay this extra rate merely because she happens to be the only island State. The time is not far distant when we may hope that with a wider federal spirit we shall be placed on an equal footing with the other States in regard to telegraphic communication. At the present time Tasmania is being very severely hit under the Tariff. Her shortage will be over £100,000, and it will be as much as she can stagger under to make up that deficiency. That is why the Treasurer of Tasmania, on discovering that any loss would be debited against our little island, did not desire this proposal to be proceeded with.

Senator KEATING (Tasmania). — I should not have risen to speak again but for the fact that this is a matter which peculiarly affects the State I represent. Senator Dobson has just suggested the possibility of the proposed rates being in contravention of section 99 of the Constitution, which provides that no State, or part of any State, shall gain any benefit which no other State or part of a State obtains. As I remarked when the interjection was made by my honorable and learned friend, section 99 in this instance cuts both ways. It might be contended by those representing the mainland States, that if Tasmania in the past has entered into an agreement with a private company to establish communication with the mainland States, and has tied herself up in such a way that she has now to pay an exorbitant charge for that facility, it would possibly be a contravention of that section to impose upon the people of the other States the liability to contribute to that charge. Early in the present session, upon a motion moved by

myself, documents and agreements in connexion with the Tasmanian cable were laid upon the table of the Senate. At the request of the Postmaster-General a motion was not submitted that they be printed, because they were bound up with other agreements, and were so bulky that the cost of printing them would have been tremendous. Notwithstanding their bulkiness, I went through the agreements at some considerable expense of time, and submitted a motion of the character to which I have just referred. I hope the Postmaster-General will see his way to do something towards the acquisition of this means of communication between Tasmania and the mainland. On the motion submitted by me, Senator McGregor moved an amendment, making it more general, so as not to tie the hands of the Postmaster-General, and I had hoped that long before this something would have been done in accordance with that motion. Tasmania, owing to the short-sightedness of those who in the past had control of her affairs, tied herself hand and foot to this monopoly, and is now reaping the consequences of her folly. Although, when the Bill was previously before us, I supported a motion of the character indicated by Senator Macfarlane, I have since had an opportunity of seeing the Treasurer of Tasmania on more than one occasion in reference to this matter, and I know that, in the interests of the people of Tasmania, it is not his desire that the motion originally passed here for equalizing the cable charges, so far as Tasmania is concerned, with the charges operating for telegraphic communication between the mainland States should be carried out.

Senator DRAKE.—He is in favour of reducing the charge by one-half.

Senator KEATING.—He is in favour of inducing the company to reduce the cable charges; but he recognises that if the charge for telegraphic communication between Tasmania and the mainland States is made uniform with that operating for telegraphic communication between the mainland States, Tasmania will have to pay out of its own Treasury not merely the actual subsidy of £4,200 which it has guaranteed to pay for 40 years, but a further sum of £5,600, which represents the amount of the conditional guarantee for the message receipts. Therefore, in any case, Tasmania will have to pay £9,800 to the company, and the

company will simply say—"We will take all your messages for nothing; but we must have the £4,200 and the £5,600, representing 14 per cent. on the cost of the construction of our cable, which was £70,000. If you want to buy our cable, the terms upon which you have contracted to purchase it are that you shall pay us the cost of construction, and the capitalized value of the profits, and in estimating those profits you must include your subsidy of £4,200." There is another eight years to run, and, as a matter of fact, instead of paying anything like £70,000, the original cost of the construction of the cable—I admit that it has been maintained by duplication since then—we might have to pay some hundreds of thousands of pounds for it, owing to the agreement entered into in the past. In the meantime if there are any cable charges added to the cost of the telegrams, the people of Tasmania will have to pay in some other way for this particular amount. When I faced the electors I knew nothing—as none of the candidates could know—of the intricacies of the agreement which existed between the State and the cable company, and one of the planks in my platform was that the cable must be purchased at the earliest possible moment, in order that Tasmania should properly participate in the benefits of the amalgamation of the Commonwealth telegraph system. In pursuance of that policy I took, at the earliest opportunity, every means available to me to get at the bottom of the agreement existing between the company and the State. I have found that owing to the shortsightedness of those who had in the past the control of the affairs of the State, Tasmania has tied herself in such a way that to ask us now to agree to this particular item in the light of what has been done at the Premiers' Conference would be simply to ask the people of Tasmania to participate on paper in the benefits of the amalgamation, but so far as their pockets are concerned, not to participate at all in anything like a uniformity of rates. It would be a mere farce, and something worse, inasmuch as it would place the company in this position: that it would be drawing as an absolute income £9,800 per year, even if it did not get one single penny for message receipts. Metaphorically speaking, it would snap its fingers at the Postmaster-General in any negotiations to acquire the ownership of the cable in

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conformity with the resolutions passed in August last. I believe it is desirable that there should be something in the nature of a cable charge. If it be $\frac{1}{2}$ d., let it be so. If it could be reduced to $\frac{1}{4}$ d., it would be better still. It would show the company that we are not going to allow it to for ever intrude its little cable into the Commonwealth system of telegraphy, and that it is not to be permitted to remain practically idle, and fatten on the development of the Commonwealth, without doing anything to further the interests and progress of the communities which its cable connects. I think that by having something in the nature of the present open provision in the schedule, we shall meet the conditions which already exist, and that it will be in conformity with the wishes of those who are to-day controlling affairs in Tasmania, and who regret very much what has been done in the past, and are endeavouring to make amends. It will also show the company that its days are numbered, and that when the present agreement expires, it can not possibly hope for an extension of its privileges for a single hour.

Question—That the amendment be agreed to—resolved in the affirmative.

Remaining amendments in the 3rd schedule agreed to.

Resolutions reported; report adopted.

ELECTORAL BILL.

In Committee (Consideration of House of Representatives' amendments resumed from 3rd September, *vide* page 15676):

Clause 151—

In elections for the Senate, the voter shall mark his ballot-paper by making a cross in the square opposite the name of each candidate for whom he votes. The voter shall vote for the full number of candidates to be elected.

Upon which Senator DRAKE had moved—

That the Committee agree to the amendment of the House of Representatives, omitting all the words after the word "votes," line 4.

Senator DAWSON (Queensland).—Before saying anything upon the subject of the amendment, I desire, Mr. Chairman, to heartily congratulate you upon your re-appearance amongst us, and upon the fact that you are able to resume your duties as Chairman of Committees. Some honorable senators appear to be in an awful hurry to get rid of this matter without proper discussion. I desire to say that

a federal one, and to carry out what really was the intention of the Premiers who met in conference, still, by taking such action at this time of the day my honorable friend would be acting contrary to the wishes of the State Ministry. On discovering that during the bookkeeping period Tasmania would be debited with any loss following upon the omission of these words, Mr. Bird, the State Treasurer, came over here, and urged the re-insertion of the clause. The House of Representatives have re-inserted the clause chiefly, if not solely, at the instance of the Tasmanian Ministry. I agree with my honorable friend, that if it would not be an invasion of the Constitution, it would certainly be a federal act to provide that Tasmania should not have to pay this extra rate merely because she happens to be the only island State. The time is not far distant when we may hope that with a wider federal spirit we shall be placed on an equal footing with the other States in regard to telegraphic communication. At the present time Tasmania is being very severely hit under the Tariff. Her shortage will be over £100,000, and it will be as much as she can stagger under to make up that deficiency. That is why the Treasurer of Tasmania, on discovering that any loss would be debited against our little island, did not desire this proposal to be proceeded with.

Senator KEATING (Tasmania).—I should not have risen to speak again but for the fact that this is a matter which peculiarly affects the State I represent. Senator Dobson has just suggested the possibility of the proposed rates being in contravention of section 99 of the Constitution, which provides that no State, or part of any State, shall gain any benefit which no other State or part of a State obtains. As I remarked when the interjection was made by my honorable and learned friend, section 99 in this instance cuts both ways. It might be contended by those representing the mainland States, that if Tasmania in the past has entered into an agreement with a private company to establish communication with the mainland States, and has tied herself up in such a way that she has now to pay an exorbitant charge for that facility, it would possibly be a contravention of that section to impose upon the people of the other States the liability to contribute to that charge. Early in the present session, upon a motion moved by

myself, documents and agreements in connexion with the Tasmanian cable were laid upon the table of the Senate. At the request of the Postmaster-General a motion was not submitted that they be printed, because they were bound up with other agreements, and were so bulky that the cost of printing them would have been tremendous. Notwithstanding their bulkiness, I went through the agreements at some considerable expense of time, and submitted a motion of the character to which I have just referred. I hope the Postmaster-General will see his way to do something towards the acquisition of this means of communication between Tasmania and the mainland. On the motion submitted by me, Senator McGregor moved an amendment, making it more general, so as not to tie the hands of the Postmaster-General, and I had hoped that long before this something would have been done in accordance with that motion. Tasmania, owing to the short-sightedness of those who in the past had control of her affairs, tied herself hand and foot to this monopoly, and is now reaping the consequences of her folly. Although, when the Bill was previously before us, I supported a motion of the character indicated by Senator Macfarlane, I have since had an opportunity of seeing the Treasurer of Tasmania on more than one occasion in reference to this matter, and I know that, in the interests of the people of Tasmania, it is not his desire that the motion originally passed here for equalizing the cable charges, so far as Tasmania is concerned, with the charges operating for telegraphic communication between the mainland States should be carried out.

Senator DRAKE.—He is in favour of reducing the charge by one-half.

Senator KEATING.—He is in favour of inducing the company to reduce the cable charges; but he recognises that if the charge for telegraphic communication between Tasmania and the mainland States is made uniform with that operating for telegraphic communication between the mainland States, Tasmania will have to pay out of its own Treasury not merely the actual subsidy of £4,200 which it has guaranteed to pay for 40 years, but a further sum of £5,600, which represents the amount of the conditional guarantee for the message receipts. Therefore, in any case, Tasmania will have to pay £9,800 to the company, and the

company will simply say—"We will take all your messages for nothing; but we must have the £4,200 and the £5,600, representing 14 per cent. on the cost of the construction of our cable, which was £70,000. If you want to buy our cable, the terms upon which you have contracted to purchase it are that you shall pay us the cost of construction, and the capitalized value of the profits, and in estimating those profits you must include your subsidy of £4,200." There is another eight years to run, and, as a matter of fact, instead of paying anything like £70,000, the original cost of the construction of the cable—I admit that it has been maintained by duplication since then—we might have to pay some hundreds of thousands of pounds for it, owing to the agreement entered into in the past. In the meantime if there are any cable charges added to the cost of the telegrams, the people of Tasmania will have to pay in some other way for this particular amount. When I faced the electors I knew nothing—as none of the candidates could know—of the intricacies of the agreement which existed between the State and the cable company, and one of the planks in my platform was that the cable must be purchased at the earliest possible moment, in order that Tasmania should properly participate in the benefits of the amalgamation of the Commonwealth telegraph system. In pursuance of that policy I took, at the earliest opportunity, every means available to me to get at the bottom of the agreement existing between the company and the State. I have found that owing to the shortsightedness of those who had in the past the control of the affairs of the State, Tasmania has tied herself in such a way that to ask us now to agree to this particular item in the light of what has been done at the Premiers' Conference would be simply to ask the people of Tasmania to participate on paper in the benefits of the amalgamation, but so far as their pockets are concerned, not to participate at all in anything like a uniformity of rates. It would be a mere farce, and something worse, inasmuch as it would place the company in this position: that it would be drawing as an absolute income £9,800 per year, even if it did not get one single penny for message receipts. Metaphorically speaking, it would snap its fingers at the Postmaster-General in any negotiations to acquire the ownership of the cable in

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Question—That the amendment be agreed to—resolved in the affirmative.

Remaining amendments in the 2nd schedule agreed to.

Resolutions reported; report adopted.

ELECTORAL BILL.

In Committee (Consideration of House of Representatives' amendments resumed from 3rd September, *vide* page 15676):

Clause 151—

In elections for the Senate, the voter shall mark his ballot-paper by making a cross in the square opposite the name of each candidate for whom he votes. The voter shall vote for the full number of candidates to be elected.

Upon which Senator DRAKE had moved—

That the Committee agree to the amendment of the House of Representatives, omitting all the words after the word "votes," line 4.

Senator DAWSON (Queensland).—Before saying anything upon the subject of the amendment, I desire, Mr. Chairman, to heartily congratulate you upon your re-appearance amongst us, and upon the fact that you are able to resume your duties as Chairman of Committees. Some honorable senators appear to be in an awful hurry to get rid of this matter without proper discussion. I desire to say that

any impression which may have been created in the minds of honorable senators by what was said at an earlier hour of this sitting, suggesting that I had made any arrangement with the Vice-President of the Executive Council to postpone the consideration of this matter until to-day, is an entirely mistaken impression. The arrangement of the business-paper for to-day was decided on entirely without my knowledge. I was somewhat struck with the light and airy fashion with which Senator Symon treated this matter. Honorable members in another place have carefully considered it, and have furnished abundant reasons why we should reconsider our previous determination. Senator Symon, afraid of the weight of argument, and depending absolutely upon the weight of the numbers which he thinks he can command, proposes to dismiss the matter without any further consideration. I have always considered that when a matter is referred from one Chamber to another, the leader of a party in the Chamber to which it is referred should at least pay due respect to the views expressed by honorable members in another place, and should be prepared to consider them even though, as in this case, they may not be sufficient to induce him to alter his opinion or to invite his followers to alter theirs. Senator Symon should have followed that course, and should have shown that there has been nothing brought forward in another place to justify us in altering our previous determination. There appears to me to be an opposition to this proposal which is not altogether confined to the principle of plumping. For some reason or another, there appears to be some happy little arrangement between honorable senators representing the large State of New South Wales and the populous State of Victoria, and that has been strengthened by the painful personal experience of Senator Playford in the dim past. That honorable senator, in endeavouring to assist honorable senators from New South Wales, treated the committee to a very amusing tale of the disasters that are likely to occur, and which actually did occur to himself in the past, under a system of plumping. The experiences which the honorable senator related did not supply sufficient reason for saying that there should be no plumping in any State. It appeared to me that Senator Playford proved that candidates,

and those who run candidates in South Australia, are a particularly bad lot; that they are rogues of the first water, and that it is absolutely impossible to trust them in any way. The first case to which he referred was that of a three-cornered contest, where three candidates were contesting two seats, and he was himself the favourite candidate. Assuming that he had but to announce himself as a candidate to assure his return, the honorable senator and his supporters took no trouble, whereas the other candidates and their supporters set to work and tried to win, with the result that they did win. I have known favorite candidates in the State of Queensland, who have considered that all they had to do was to announce themselves and they would win, but they did not win. I know of one case in particular in the north of Queensland, where a number of interested persons, chiefly publicans and brewers, desired a good contest, and induced an innocent and confiding young man, who took all the world to be exactly like himself, to become a candidate. This young man trusted to the representations made to him, and though he was assured that he would get in by a tremendous majority, when the numbers went up he lost his deposit. The publicans and others interested made a very good cheque for him. In some places this unfortunate favorite candidate did not even get the vote of the scrutineer sent to watch his interests. I do not suggest that Senator Playford was in a similar predicament, or that the same circumstances attended his case, but it is not sufficient for the honorable senator simply to say that he was the favourite candidate, and that plumping alone beat him, because the idea of a favourite candidate is a candidate who does absolutely nothing to secure his return. In the other case mentioned, two gentlemen were standing with the honorable senator for a constituency for which two members were required.

Senator PLAYFORD.—The honorable senator is mixing up two tales of different circumstances occurring at different times far apart. He is bungling the two cases together, and attributing to me what I never said.

Senator DAWSON.—I am referring to these cases for the reason that the honorable senator announced himself as an

opponent of the principle of plumping, and his opposition is sure to have weight because he is an old parliamentarian who has had a long experience of public life. I understood the honorable senator to announce himself as opposed to this provision for plumping because of the painful experience he has had of the operation of the principle. He mentioned two cases in one of which he was defeated under circumstances I have related. In the other case, when as a young man the honorable senator sought a seat in Parliament for the first time in 1868, he was one of three candidates standing for two seats, and there was some mutual arrangement between the candidates that there should be no plumping. After the contest was over, Senator Playford and another candidate received a letter from the same person. But there had been a mistake in the transmission of the letters, and the other man's letter showed to Senator Playford that he had induced some electors to plump for him. The censure was not on a particular system of plumping, but on the electioneering agents. We are asked to condemn what is a convenience and a right to a large number of electors simply because certain candidates did not know how to run their candidature at an election. In our electoral law, as well as in the regulations thereunder, every precaution should be taken to discourage this free and easy arrangement between candidates. A candidate should be required to go up to fight so far as the law will allow him for the principles which he enunciates on the platform, in order that the electors, before they cast their votes, may understand what principles he will support if elected. If there is to be some kind of mutual arrangement by the candidates alone; if political principles are to be cast on one side, and there is not to be a fair party fight, the ballot system for the election of senators is absolutely worthless. If candidates are going to arrange the voting, it certainly would save a lot of money and time, and I think it would be more satisfactory if they were to sit down and play a three-corner game of euchre for the seat. What is the other objection to the system of plumping? Honorable senators say that we must have representation by the majority, and that it is utterly impossible by any other method which may be devised to get the proper representation of a majority, if plumping is allowed. That is not the case. If you compel a man

Senator Dawson.

who can conscientiously select only one candidate to vote for two others who are against his views in order that he may be able to get his own choice returned, you are not getting a vote by a majority at all. It is a compulsory vote. What is the value of our elections? If the electors are to be hampered in this way the right of free choice is absolute nonsense. I fail to see why I should be compelled to vote for two men in whose principles I have no faith. Although there is one candidate whom I wish to represent me, yet I am compelled by this system, which is sought to be enacted, to vote for two candidates whom I distrust, and who, I believe, will not represent me. That position is absolutely unjust. It has been said by Senator Playford and others that the gift of the franchise carries an obligation on the part of the receiver, that the reason why a man should be compelled to vote for the full number of candidates is because he has the right of voting. By this compulsory provision you do not compel a man to exercise the franchise, because after he is enrolled he may refuse to vote at an election. All it does is to compel a man, when he has made up his mind to vote, to act in a manner in which he does not desire to do. Voting by free choice is absolutely nullified by the enactment of that principle. Would it not be intolerable to compel a devout believer in his church, who wished to give a hearty cheer for His Holiness the Pope, at the same time to give two hearty cheers to the memory of King William? It is not an exercising of the franchise to its full extent to compel a man, who is satisfied as to the capabilities and convictions of only one candidate, to vote for two others whose views are diametrically opposed to his. By enacting this compulsory principle you make an elector stultify himself. Surely it is not the desire of any honorable senator that in the future the representatives of the States in the Senate shall not be the free choice of the electors? The system of compelling an elector to vote for those whom he does not wish to be returned is an absolute destruction of his right of free choice. A candidate who is returned to the Senate under that system cannot be a true representative of the electors of the State. How easy is it for us to understand that the two big political parties can easily dominate any State. How easy is it for us to understand that in New South Wales the

great free-trade party will be able to return at the next election three free-traders as an indication of public feeling that there is only one fiscal party there. We all know that, in spite of the power of the free-trade party, there is a very large body of protectionists who have no chance of getting their views voiced in the Senate under a system of compulsory voting. What could happen under the plumping system there? Realizing the utter impossibility of getting all their candidates returned, and the absurdity of trying to do so, the great protectionist body could nominate one candidate, and their power would be sufficient to secure a fair and just representation of the State by one protectionist senator, while the great body of free-traders would return the other two senators. The same argument applies to Victoria, only that the parties are reversed. In this State the great body of electors are undoubtedly protectionists. It would be absurd to say that, because three protectionist senators had been returned, there was not a great body of free-traders voters in the State. The free-traders in the State should be afforded a proper opportunity to secure some representation in the Senate. It has been interjected by Senator Millen that Senator O'Connor has admitted that even under this system plumping could take place in a roundabout way—that if the members of a party wished to return one candidate they would vote for that candidate and two “wasters.” What satisfaction is it to a voter that he has to vote for two “wasters” in order that he may be able to give an effective vote to a candidate whom he wishes to represent a set of political principles? I have always been under the impression that it has been the aim of law-makers in the States to so frame the law as not to encourage “wasters” to conflict the issues and confuse political matters generally. I can understand a position of this kind. In a State where the great parties are very nearly equal, the protectionist party will, we will suppose, run one candidate and will select two other wasters. The free-trade party may think that they have no chance of getting in three candidates, and they will run two and will pick out from among the other candidates a man whom they consider to be the greatest waster in the lot. The two combined parties select the same waster, and he is returned at the poll.

Thus, because both parties agree on the greatest waster, the waster, not the man who represents the voters, is elected. That is a most undesirable result, but it is a very likely one. I have known cases, not in connexion with parliamentary elections, but in regard to other associations and bodies, where a person was compelled to vote for the full number of candidates required to be returned. As a result, the most undesirable persons have been elected, and the principal parties have been defeated by their own action. What can be done on a smaller scale can equally well be done on a larger scale; and the possibility of it is all the greater according to the strength of the respective contending parties. There is another complication that is likely to arise in all these States. There is a large number of electors who do not go all the way with the free-trade party, which holds itself strictly to principle, and says that there should be no deviation either one way or the other. There is similarly a protectionist party that will not permit of any departure from its principles. Those parties of political economists may be described in a vulgar phrase as “having a rat.” Between those two parties there is a large body of electors in the Commonwealth who are neither strict free-traders nor strict protectionists. Their view on the great fiscal question ought to be heard, and they have a right to representation in the Senate. But under this system of compulsory voting for the whole ticket it is possible that they will be crushed between the two great parties, and that this large body of electors will have absolutely no voice whatever in the counsels of the nation. I should like to direct the attention of honorable senators to another fact. We have heard a great deal lately about a compromise Tariff—a Tariff that is neither free-trade nor protectionist, that is neither a Victorian nor a New South Wales Tariff, but a Tariff that fairly well represents the thought and feeling of the average people of the Commonwealth as a whole. A compromise Tariff is one that neither the strict free-trader nor the strict protectionist would claim as being his. How is it possible, under a system of compulsory voting for a whole ticket, to have a compromise Tariff in this Commonwealth? It will be absolutely impossible. In New South Wales the representation would be all free-trade, and in

Victoria it would be all protectionist; whilst the other States, following the lead of the two large, populous States, would be represented in the same manner. The Tariff that would be passed would all depend on whether the protectionists or the free-traders were on top. If the protectionists were on top, there would be a scientific protectionist Tariff. If the free-traders won there would be a scientific free-trade Tariff. The only salvation for the moderates in the smaller States is that a number of us here are not tied to the coat-tails of either party, and can assist in modifying the Tariff in any particular where we think modification is reasonable and desirable. That is what has been done on the present occasion. Some of us are here to a very large extent as moderates between the two great parties on the fiscal issue, because in our respective States we have had the opportunity of utilizing the system of plumping. But under the other system, we shall have no such opportunity. Take our case in Queensland. Under the system of plumping, when we go to the country, the issue will not be the Tariff issue, but the question of the retention of the kanakas. If an elector has to vote for three candidates, in order, say, to secure the return of Senator Stewart and Senator Glassey, he will also have to vote for a pro-kanaka candidate. If Senator Stewart and Senator Glassey were the White Australia candidates, persons who wished to secure their return, would have to vote for another candidate in whose principles they do not believe. Indeed, as a matter of fact, neither Senator Glassey nor Senator Stewart would be able to vote for himself, unless he also voted for a pro-kanaka candidate. A more absurd position can hardly be imagined. In the event of the two White Australia candidates not being returned it would immediately be claimed by the present Government in Queensland, by Senator Fraser, and by all those who share his opinions, that there had been a great revulsion of feeling in that State, that the people are now in favour of the retention of the kanaka, and that the White Australia party has "gone to glory."

Senator FRASER.—The true White Australia party will never "go to glory" in the honorable senator's sense.

Senator DAWSON.—If they do not there will be no harm done. I suppose Senator Fraser means to suggest that the White Australia party are going to be in some

place where, on special occasions, they will be allowed to look up and see him playing the harp. There is another element which has to be taken into consideration. Senator Millen seems to think, as I gathered from his interjection, that there need not be so much noise made about the abolition of plumping because, as the system was described by Senator O'Connor, it was possible to get round it by voting for wasters. But in the construction of our statutes, one object we should have continually before our eyes is to frame them in such a way as to discourage a man from dodging the law. We should do all that we possibly can to make it to a man's interest to carry out the law in the spirit and in the letter.

Senator MILLEN.—The honorable senator misunderstood me. What I said was that, according to Senator O'Connor, the results of the system where it had been in force did not bear out the statements made by the advocates of plumping—that they did not get a representation proportionate to the size of minorities.

Senator DAWSON.—In regard to the principle of securing a representation of the opinions of the majority of the electors by compelling them to vote for the full ticket, I would point out that the House of Representatives will not be elected by a whole State as one electorate. The States have been divided up into a certain number of electorates in order, probably, to enable country districts successfully to compete against the dense populations of the cities in securing adequate representation. If the object merely were to secure the representation of population, irrespective of industries or any other consideration involved in the welfare of the country—if simply the counting of heads were requisite—I see no reason why a State should be divided into a number of electorates. But we have adopted that principle in order that the big populations of places like Sydney and Newcastle may not be able to combine and crush out the inhabitants of the country districts. Under our Constitution we have recognised the rights of minorities of the population to be fairly and properly represented in the Senate. We have adopted the principle of the equal representation of the States irrespective of population. If the idea of securing majority representation in the legislative halls of the country were a true idea—if merely by counting heads we could

secure the representation of the people—we ought to do away with that provision of the Constitution which secures the equal representation of the States in the Senate. But if that were done, I venture to say that New South Wales and Victoria combined would entirely wipe out the other States. There would be no possible chance whatever of securing the representation of minorities of the population. Surely then honorable senators should recognise the principle that the mere counting of heads is not final. We should consider how this system of voting will affect the different States. Other honorable senators can speak for their own States; I will direct attention to what would happen in Queensland. In that State the bulk of the population is in the south. For many years, owing to the inability of the smaller population in the north and in the centre of Queensland, to cope with the larger population in the south in the State Parliament, an agitation for separation has been carried on. Merely because of the geographical situation of the people it was found to be utterly impossible to pass laws eminently suited for the requirements of the southern population as well as for the people in the northern and central parts of Queensland. Hence the cry for separation. The people of the north cannot obtain that to which they think they are entitled. We have been striving for many years to secure some power in the Assembly, but owing to the smaller population, we have found it impossible to do so. If we now compel Queenslanders to vote for the full number to be elected for the Senate, we shall have here the representatives of only the southern part of that State. The disproportion in numbers is such that even if every man and woman entitled to exercise the franchise in Northern Queensland were absolutely of one mind in regard to the selection to be made, they would not secure a solitary representative in the Senate. They are not numerous enough to do so. I doubt very much whether if the people of Northern and Central Queensland combined they would be powerful enough to overcome the southerners. Two portions of that great State may eventually become separate States, each entitled to return six senators. The northern and central parts of Queensland are sparsely populated. They are wealthy districts; they have industries which are not identical with the south, and they will be absolutely closed up under

this system. Is that what honorable senators are aiming at? In order to secure a free-trade majority in New South Wales, and a protectionist majority in Victoria, are they going to inflict this injustice upon Queensland? If that be their object we can understand that they are opposing this amendment simply to suit their own selfish interests. Because New South Wales and Victoria happen for the time being to be the most populous States, they think they can crush out the smaller ones. It would be just as well for those who oppose the amendment to be frank and honest, so that the electors of the other portions of the Commonwealth may know the reasons which actuate them. If Queensland were cut up into three divisions for the Senate, the northern and central parts of that State would have an opportunity to secure representation here. But with the State polled as one electorate, and the voters compelled to vote for the full number of candidates to be elected, Northern and Central Queensland must be disfranchised, and the whole of the legislative power placed in the hands of the southern majority. If plumping is abolished the only representation which Northern and Central Queensland will have in the Commonwealth Parliament will be the few members whom they can return to the House of Representatives. They are able to return those men only because the State is cut up into divisions. But for those electorates there would not be a solitary representative of either Northern or Central Queensland in the Federal Parliament. This is a most unjust system to endeavour to foist upon us. I hope that those who are against plumping will look a little beyond their own States, for, while they may think they are safeguarding themselves, they will be doing a great injustice to the other States. If honorable senators who have opposed this amendment feel disposed to change their minds because of the fresh facts which have since been brought forward; I hope they will not be too proud to admit that they have made a mistake, and to be willing to give tangible expression to that change of opinion.

Senator DE LARGIE (Western Australia).—This matter has been discussed at very great length, but I have failed to hear one argument of any weight in support of the contention that there should be

a change in the electoral system which obtained in the States where plumping was allowed at the last federal election. No reasonable argument has been adduced by those who are opposed to the preferential system of voting—and this is really a preferential system of voting within the limits which plumping will permit. Preferential voting was generally approved by a large majority of honorable senators during the second-reading debate. The only difference of opinion was in regard to the complicated system of voting for which the Bill provided. It was seen that the system proposed was so complicated that the average elector would not be able to grasp it, and to intelligently exercise his vote. No argument was raised against preferential voting; objection was taken merely to the form in which it was proposed that the system should be exercised. I make bold to say that if some simple system of preferential voting had been brought forward it would have met with the approval of the great majority.

Senator O'KEEFE.—It is bound to come.

Senator DE LARGIE.—I believe it will, and the present move will hasten it to a very great extent. I should like those who come from the States where plumping was allowed, to explain their position. I know that no honorable senator from Western Australia has any mandate from the electors to change the system. As a matter of fact, the system which obtained there has given every satisfaction. So far as I have been able to learn there has been no adverse comment either on the part of the press or of prominent men in that State. Why there should be any demand for a change on the part of honorable senators from Western Australia is beyond my ken. In support of the contention that plumping should be allowed, I wish to quote a statement made by Senator O'Connor in moving the second reading of the Bill. He said—

One of the advantages of this system is that there is nothing compulsory about the voting. As long as a man votes for one candidate that is all that is necessary, and you do not disqualify him because he has voted for one only.

Senator Styles interjected, "He may plump?" and Senator O'Connor replied—

Yes; the elector may plump for one person. And he has the right, if he does so vote, to say—"I have not made up my mind about the other candidates, and am not going to take the trouble to do so. Rather than make up my mind, I will

lose my right to vote for the other candidates in the event of my particular candidate being elected by mine and other votes.

I think that is a very fair expression of opinion in favour of the principle now before the committee. It is a sound principle that a vote should indicate only the wish of the voter. If there be any birthright in the exercise of the franchise, I hold that the wish of the elector should not be circumscribed or cut down in any way whatever by the electoral machinery. It is a great mistake to say to an elector, "Here is a vote for you," and at the same time by the system of voting adopted to compel him to vote contrary to his own desire. There might be only one candidate whose political opinions were in accord with those of an elector. But according to those who are opposed to plumping the elector would have to vote for two others, as Senator Dawson has explained, in order to vote for that one candidate. Therefore, I strongly object to the proposal to take away the right of preferential voting, or plumping, if honorable senators please to refer to it in that way. I know that in the three States in which plumping was allowed, and in Tasmania, where, perhaps, a more scientific system of preferential voting was in vogue, there will be great dissatisfaction if the system is abolished in order to suit two of the States where plumping was not permitted. I make bold to say that the people of those two States have a substantial grievance against the way in which the system worked out. In order to show honorable senators that the results of the Senate elections in New South Wales do not justify the statement that the system adopted was a fair one, I wish to mention that at the general State election, which followed immediately afterwards, 39 free-traders, 36 protectionists, and 26 labour members were returned. At the Senate elections, however, the labour party failed to secure any representation. The protectionists, who polled nearly as many votes as the free-traders did at the general elections, secured only one representative, while the free-traders obtained five.

Senator MILLEN.—Does the honorable senator mean to say that there are only 30,000 labour votes in New South Wales?

Senator DE LARGIE.—I say that there are not sufficient strictly labour votes to secure the return of a majority of the senators from that State.

Senator MILLEN.—But there are more than 30,000, and they must have voted in some way.

Senator DE LARGIE.—The absence from the Senate of a representative of labour from New South Wales is due to the method of voting adopted. That is a system which Senator Millen and those acting with him desire to foist on the other States where a better system has been in operation. Victoria is almost in the same plight, and we have reason for saying that the system of plumping should be allowed to continue in the States in which it was practiced at the last federal elections.

Senator PLAYFORD. — Plumping was allowed in Queensland, and three labour representatives were returned. That is an unfair proportion.

Senator DE LARGIE.—I am inclined to think that the labour vote is so powerful in Queensland that that representation is no more than it is entitled to. There is no getting away from the fact that in States like New South Wales great political parties are totally unrepresented, and they have therefore a very great grievance against the system that at present obtains. I am satisfied that in some of the States the labour party will never get any representation, unless the plumping system is adopted. When I notice the combination of conservatives in this Chamber, I think I am justified in believing that the opposition to this proposal is but an attempt to keep labour men out of the Senate altogether. If that is not what is intended, I fail to understand the move on the board at the present time. If the attempt is successful, then labour men will only have to set about endeavouring to gain a majority, and we shall probably then have coming from the other side the howling and the references to "a brutal majority." I think that, as reasonable men, we ought not to make any alteration in a system which has been proved to work fairly well, and to the satisfaction of the electors, merely because representatives from some of the States are against it.

Senator MILLEN (New South Wales). —I have been extremely amused at the kindly lectures which have been showered upon those who venture to differ from my honorable friends on my left. There has been an assumption and a claim that they and they alone are taking up their present attitude because they honestly

believe in it. The assertion is made that we who are supporting the anti-plumping amendment are doing so, not because we believe in it, but to secure some party advantage. Senator De Largie has just admitted that if plumping is allowed his party will gain an advantage. It is perfectly legitimate for the honorable senator or for any one sitting in the labour corner to advocate something by which his party will gain an advantage, but it is absolutely immoral for any one else to claim the right to do the same thing.

Senator DE LARGIE.—No ; I believe that we should get justice, that is all.

Senator MILLEN. — If the honorable senator does get justice he will be sorry for it. We have heard a great deal in denunciation of machine politics, but that denunciation comes surely with a very strange sound from honorable senators whose party has carried machine politics to the highest pitch of excellence known in Australia yet. That party has worked its organization so thoroughly, and I congratulate them upon it, and have got it into such a state now that they have both money fines and the penalty of expulsion for members who dare to take any action against their selected labour candidates. What becomes of the question of the tyranny of compelling an individual voter to vote for some one whom he does not like when this is one of the acknowledged rules of a large majority of the labour unions ?

Senator PEARCE.—Not of a large majority.

Senator MILLEN.—Of a majority of them, and it is certainly absolutely the case with regard to the largest labour organization in New South Wales. Ought I to understand from Senator Pearce's interjection that he does not like the introduction of the machine into labour organizations ?

Senator PEARCE.—No, but I should like to hear the truth upon this question.

Senator MILLEN.—I do not desire to speak anything but the truth. I do not assume that the honorable senator wishes to suggest that I am wilfully saying what I know is not true. Perhaps I may modify my remarks, and say that labour organizations have adopted that as one of their rules.

Senator PEARCE.—Some of them, but not a majority of them, as the honorable and learned senator said.

Senator MILLEN.—Passing from that, is it not a fact that the labour party has

adopted the solidarity pledge? What does that mean? Does it not mean that whilst they denounce as tyranny any system by which a voter is compelled to vote for a man whom he does not particularly like, they do not regard it as tyranny to make a man who has secured his election as the advocate of a certain principle, vote at the dictates of his party in support of another principle.

Senator HIGGS.—That is what the Opposition caucus is doing every day.

Senator MILLEN.—But the caucus is not howling about the anti-plumping vote as are some honorable senators. These honorable senators want all the advantage of the machine in politics for their own party, but they object to anything approaching it when applied adversely to their own interests. Senator Pearce did himself a great injustice in one of the remarks which he made yesterday. I venture to say that no member of the committee believes for a moment that the honorable senator has ever given a vote which he did not conscientiously believe to be a correct one. Yet the honorable senator yesterday made a remark which might almost lead to the suspicion that he has been giving votes in this Chamber not because he believes that they were given on the right side, but in anticipation of some future advantage. The honorable senator upbraided the free-traders on this side with what he regarded as their ingratitude, in view of the measure of support extended to them upon the Tariff by himself and others.

Senator PEARCE.—No; in view of the lack of consideration which honorable senators expressed for the workers at times.

Senator MILLEN.—The honorable senator used the word "ingratitude," and provoked the suspicion that he had voted in a certain way at times with the idea of gaining some advantage later on.

Senator PEARCE.—I never had the slightest idea of getting any advantage from the honorable and learned senator's party.

Senator MILLEN.—The honorable senator in upbraiding us with ingratitude indicated that upon certain occasions he voted with us in the anticipation that upon other occasions we should vote with him. I am beginning to understand now the full significance of the remark made earlier in the session by Senator McGregor—"This party is up for sale."

Senator PEARCE.—That is too contemptible to take any notice of.

Senator MILLEN.—But the honorable senator is taking notice of it.

Senator PEARCE.—Not the notice which I might take of it.

Senator MILLEN.—We have heard on one or two occasions a threat that unless an opportunity is afforded for proportional representation, the labour party will secure all the representation. I recognise the sincerity of the labour party, and I only wish that they would recognise the sincerity of those who are opposed to them. Upon one or two occasions we have heard it threatened that unless the labour party secures what it has asked as a fair proportion of representation it will claim all the representation. That threat does not carry much force.

Senator DOBSON.—It lets the cat out of the bag.

Senator MILLEN.—It does let the cat out of the bag, but we know perfectly well that the labour party would not only secure the representation to which it is entitled, but would secure all representation, if circumstances enabled it to do so.

Senator DAWSON.—We do not believe in the policy of all or none.

Senator MILLEN.—The honorable senator does, or at least his party does. If not, why did they run ten delegates in New South Wales when they knew they were not entitled to that proportion of representation? It appears to me that the threat is that unless this claim is conceded, they will ultimately adopt the block ticket themselves, and secure all the representation. I am reminded by the action of honorable senators of the refrain of a song in "San Toy," where the ladies' maid, after referring to the fact that she has appropriated certain articles of her mistresses' wardrobe, remarks with regard to ladies' maids in general—"If you don't let them take a little then they'll take the lot." That, it appears to me, is the position of honorable senators in the labour corner. I desire to give one reason which, I think, is a weighty one, for my opposition to plumping. It marks the sharp distinction between plumping and the preferential vote. There is no more wasteful system of voting than that of plumping. With preferential voting no vote need be wasted. But, under the plumping system, it is possible for one candidate to get such a number in excess of the necessary

quota that other candidates of the same party will be absolutely shut out. Let us take the case of three candidates running for New South Wales, of whom Mr. George Reid is one. The anxiety of the ordinary free-trade elector to secure the return of Mr. Reid would be so great, that I venture to say that three out of four of the free-trade electors of New South Wales would vote for him.

Senator DAWSON.—They might have a personal objection to another candidate running in the same interest.

Senator MILLEN.—That may be so, but I am contending that 80 per cent. or 90 per cent. of the free-trade electors would prefer to see the free-trade bunch put in, and if they distributed their votes to each of the free-trade candidates they would secure their return, and would be entitled to do so. But in order to make certain of the return of their favourite and great champion, he would be plumped for, with the result that while 20,000 or 30,000 votes might be the quota sufficient to return a candidate, Mr. Reid would get 70,000 or 80,000 votes, and the two other men whom the party was sufficiently strong to return would be shut out. In that way the excess votes given to Mr. Reid would be absolutely wasted, not because the voters disliked the other candidates, but because of their extreme anxiety to secure the return of their favorite candidate. That marks the sharp distinction between plumping and preferential voting. I do not like preferential voting, but I would sooner have it a thousand times than plumping, because under preferential voting every vote is effective. That cannot be said for the plumping system, and no organization can be made so perfect as to secure an equal distribution of votes for candidates running on the same principles.

Senator DAWSON.—We could divide a State, and have one senator for each electorate.

Senator MILLEN.—That opens up another question. I regard the Senate as the States House, and I think that the State should be regarded as an entity. I am opposed to plumping because it means such an enormous waste of votes, and because under it a little careful organization may secure for minorities, not the fair share of representation to which they are entitled,

but a representation which their numbers would not justify.

Senator MCGREGOR (South Australia).—As the labour party—its prospects, its position, and its action—has been frequently referred to during this discussion, it is well that some one should clearly explain our attitude. We can all recollect the circumstances attending the introduction of the measure we are now discussing. A great deal of opposition was shown in its early history towards any form of Electoral Bill, and particularly towards the provisions relating to the system of voting that might be adopted by any elector. The plan proposed by the Government was favoured by a number of senators, and when it was disapproved of it became the duty of those who favoured it to secure the adoption of a scheme which would most nearly approach that rejected. If a man cannot get exactly what he wants, he ought to secure the next best thing, and I do not see that any particular blame should be attached to us for taking that course. I desire to inform Senator MilLEN and Senator Clemons; and others who have specially referred to the attitude of the labour party, that we have never denied the right of any other party to representation in this Chamber. All we have contended for is that every party should have fair representation. The block vote system has never given fair representation in any part of the world. Wherever a number of representatives have been returned for the same district, or town, or place by electors who were compelled to vote for candidates sufficient to fill the full number of vacancies, the results have always been unsatisfactory. In many instances the system of single electorates has been adopted, and where that course has not been followed, preferential voting has been resorted to. Coming nearer home we need only point to the experience gained in connexion with the election of representatives to the Federal Convention, on which occasion the electors were compelled to vote for the full number. Senator Charleston knows very well that in South Australia the electors were obliged to vote for ten representatives, and although I have nothing to say against the ability of the gentlemen returned, I maintain—and the majority of the people in South Australia maintain even now—that they did not fairly represent that State. Four candidates were put forward in the labour interests,

and the labour party were told that they would get loyal support from some of the candidates outside their own party, for whom they were prepared to vote. When the returns came forward, however, it was shown that a number of electors had voted for dummies, whilst the members of the labour party had supported those whom they considered would best represent the people. The result was that not one labour representative was returned, and there is scarcely an elector in South Australia who has not expressed the opinion that that fact was a blot on the election. Many honorable senators say that they do not object to labour representation; but it is strange that whenever an opportunity is afforded they do all they can to make it impossible for our party to return its chosen candidates. The reason why the labour party were so earnest in supporting this Bill was that it afforded opportunities for the representation of every section of the community. Greater facilities were offered to electors to become enrolled, and better opportunities were afforded for recording votes. Some honorable senators appear to be very jubilant because the effective voting and other provisions supported by the labour party have been defeated. They think that this will embarrass us, but we believe that with the provisions retained in the Bill the people of Australia will be afforded greater opportunities, although not so many as they should have, for fair representation. Some honorable senators have referred to the absurdity of compelling the electors to vote for candidates of whom they could not approve. There is scarcely one honorable senator on this side of the Chamber who has not at some time or other stoutly upheld the liberty of the subject, and Senator Playford also has many times in his political career raised up his voice in advocacy of the same principle. He has always been prepared to maintain the liberty of the subject, but I ask whether he would extend that liberty to the ballot if he compelled the elector to vote for more candidates than found favour in his eyes. When it was suggested that electors should be compelled to vote, Senator Playford, by interjection, said that he would strike off the roll those who did not exercise the franchise. That would not greatly punish a man who did not care whether he voted or not, but if an elector really desired to vote and came to the polling booth for that purpose, would he not be

Senator McGregor.

punished if his vote were made informal because he objected to vote for some of the candidates of whom he could not approve? Would it not be a crime to compel a man to vote for candidates sufficient to fill the whole of the vacancies if, say, only three out of six would fairly represent his views. In order to punish a voter who neglected to exercise the franchise, and who was quite indifferent on the subject, it would be necessary to impose a fine, but would Senator Playford, or any other senator, be prepared to introduce a provision with that object in view? I venture to say "No." And yet many honorable senators are ready to disfranchise a man if he is not willing to vote for more candidates than he can fully approve of. If the block system of voting is to be established, it will be absolutely necessary for each section of the electors to put forward a sufficient number of candidates to represent their own interests, and, in such an event, those who favour the system must be prepared to take the consequences. Senator Millen was very severe in his references to Senator Pearce, who accused the free-trade party—and the protectionist party also—of showing very little gratitude. I am sure that Senator Pearce, when he conscientiously recorded his votes in connexion with the Tariff, never had any idea that he would thus offer any other senator an inducement to vote contrary to the dictates of his own conscience. Senator Pearce wished to convey that there was no necessity for any jubilation over the defeat of the aims of the labour party in connexion with this Bill. Senator Millen also told us that in a number of the labour organizations, the members were compelled to vote for the candidates put forward by the labour party on pain of fine or expulsion. As far as I know, there is only one society that has any rule of that description.

Senator STEWART.—That rule was expunged.

Senator MCGREGOR.—That does not matter. They were fully justified in having such a rule if they thought fit. The constitution of the labour party is different from that of any other with which I am acquainted. An association, before it joins the labour party, has all the rules of the party submitted to it for adoption, and everything is done openly and above board. Candidates are selected by the whole party,

and every individual member has a voice in the selection. Every proposed "plank" in the platform has to be submitted to each association connected with the party; and it is the duty of those who are not satisfied with the platform to leave the party. Why should any party be burdened with a number of individuals who, after having had an opportunity of formulating the policy, are prepared to turn round and vote against the party? Honorable senators will see the absurdity and impossibility of endeavouring to keep together a body such as the labour party, if every one who has assisted in formulating its policy may afterwards vote as he pleases. Each must stick to the policy or leave the party, and, if a man leaves, no one has a word to say against him. But, to go a little beyond the liberty of the subject and the policy of the labour party, what do we find in the Senate itself? Are there no minorities represented here? Did not the majority of those who came from New South Wales declare, at some time or other, that the proposed federation was not the best that could be desired, because the smaller States had the same representation as the larger States? Did not people, even in Victoria, declare that federation was not what it ought to be, because a small State like Tasmania could send as many representatives to the Senate as could Victoria or New South Wales? If we are prepared in our Constitution to recognise that such States as Tasmania, Western Australia, and South Australia are eligible for representation here equally with the larger States of Victoria and New South Wales, why should there be such bitter opposition to the right of every elector to exercise his vote in the direction which best pleases himself? If honorable senators, in what they deem to be the best interests of the country, are honestly taking an opposite view from that for which I am now contending, where is the necessity for their throwing sneers at the labour party, who are acting from precisely similar motives? But I have not the least fear so far as the labour party are concerned. The labour party will be able to take care of itself, and I have no doubt as to its future even in the Senate. There may be alterations in some of the States, but the aggregate number of labour representatives in the Senate, I have every reason to believe, will not be decreased. It is only ten or twelve years ago since the very

idea of putting labour members into the House of Assembly in any of the States was laughed at. But we have seen a great change; and in the Senate, to which, at the time I mention, it would have been almost sacrilege to suggest the election of a labour representative, there are now eight labour members sitting here almost every night. That shows to me that the labour party is making progress, and any steps which those opposed to it may take to prevent its representation will be futile. It is not the duty of honorable members to consider their own parties or individual members of the Senate; their first duty is to consider the interests of the Commonwealth. Their next duty is to consider the interests of every individual elector, and then, if they have any sympathy left, it may be extended to candidates for election. The tendency of electoral reform in the past has been in the direction of the representation of every section of the community, and fights have been fought on the question in almost every part of the civilized world. When we know that the movement has been gaining ground, why should there be such bitter opposition to it here? When we know that every honorable senator has declared himself in favour of the representation of every section of the community, why should we endeavour to compel people to cast votes in a direction which they may not desire? Why not extend the individual liberty of ordinary daily life to the ballot-box? When we know that where the block vote has existed no one can say that the people have been fairly represented, it is our duty to maintain the liberty of the elector and secure fair play for every candidate. There is no necessity to further argue this question. I know that the majority of senators have made up their minds, and any further discussion on my part would be a waste of time. But I ask every honorable senator, when he is casting his vote on this question, to consider all the circumstances, and, if he does so, he will have no reason to retract in the near future.

Senator DOBSON (Tasmania). — The arguments which have been adduced during the debate, have opened up some very complex questions. In dealing with a matter of this sort we have to consider not only what is theoretically the best system, but more particularly how the system works out in practice. It is a recognised result of all Legislative

institutions throughout the Empire, that, however carefully an Act of Parliament may be prepared, in nine cases out of ten it does not work exactly as could be wished. An Act frequently fails to do the good it was intended to do, and in many instances does evil, and brings about injustice never dreamt of. When we come to deal with the taxation Acts, the point I am trying to make is even more accentuated. It is almost impossible to frame such an Act so that the incidence of taxation will fall exactly as desired by the members of Parliament who voted for it. The results of which I am now speaking are more peculiarly applicable to the question of how elections should be conducted—how to provide against bribery, corruption, and illegal practices, and lay down how votes shall be cast. Senator Playford, in his simple, practical speech, appeared to demolish the arguments in favour of plumping. If my honorable friends, Senator McGregor and Senator Pearce, could show that theoretically there is a good deal to be said for the system of plumping, the practical working of the system, according to the facts cited by Senator Playford, proves that what may be theoretically the best, has in South Australia, and I believe in all the other States, led to fraud, lying, cheating, and dishonesty.

Senator MCGREGOR.—Senator Playford did not show that he is a better man than the others he mentioned.

Senator DOBSON.—He demolished all the arguments that were adduced in favour of plumping. Although none of us can produce the evidence in respect to putting letters in the wrong envelopes, and so forth, we all know how the system has been grossly abused in all the States. Is any honorable senator prepared to deny that the system has been used by candidates in violation of honorable agreements, or that it has been abused by canvassers and agents by the hundred? We all know well that what has been described by Senator Playford goes on in every election, and, therefore, it is not in the mouth of the labour party to ask us to adopt a system which, however good it may be in theory—and I deny the goodness of the theory as applied to a Federal Chamber—is in practice absolutely corrupting our people. No honorable senator has during this discussion alluded to the fact that we are now dealing, not only with the Federal Parliament, but with the States House of the

Federal Parliament. If I were to admit—which I do not—that the system is a fair one, both in theory and practice, I should ask myself whether it is applicable to this States House of our Commonwealth Parliament, and I should answer that I believe that it is not. Although the system may be a good one for a general Legislature, I cannot believe it to be good as applied to a national House such as this. What is this House? Under the Constitution senators are elected by each State as one electorate, to represent the States, and the very foundation of the House is that it is national, and intended to balance the federal machinery. We have only limited powers. We have nothing to do with licensed victuallers or the beer interest, or with factory legislation, the shutting up of shops, or an eight-hours day. Most of the subjects with which we have to deal are national, and although I admit that proportional representation is a very good thing in itself, and better on the whole than the "ticket" system, I believe that candidates, canvassers, and agents would twist that good system so as to rob this national House of the very features which the Constitution wishes it to wear. In an election of senators, what, I ask the labour party, is the question which ought to be before the mind of every elector? The question ought to be how to get the best men, who will represent no party and no class, but all parties and all classes, having regard to the undivided interest of their own State. There is not the same room here as elsewhere for parties, fads, and cliques. I quite understand that what is wanted in the Legislature is, not the representation of men, but the representation of opinions. At the same time, the very subjects on which we have power to legislate are restricted. We have nothing to do with two-thirds of the matters which affect the daily life and well-being of the great classes and masses of the community. The chief function of the Senate is to deal with national questions which affect the whole body of the people, and the very last thing that I desire to see is the return to this Chamber of a particular set of men whose primary duty it is to look after the interests of a special class. They have no right to come here and say that the States House is the proper place in which to give effect to their legislative fads. Of course, I am aware that if ever anybody attacks the policy of the labour party, he is at once accused of enmity and hostility to that party.

I am hostile to some of the planks of the labour party's platform, but, upon other questions I have voted with them, and I have the very greatest respect for them.

Senator HIGGS.—Upon what questions did the honorable senator vote with us?

Senator DOBSON.—As the honorable senator has asked me that question, I may say that I joined with them in voting for adult suffrage. I assisted to give the electors of the Commonwealth the greatest possible freedom in the exercise of the franchise. When, however, members of the labour party wish to secure the adoption of a system which they know their agents and canvassers can twist and turn upside down, and corrupt, I cannot vote with them.

Senator MCGREGOR.—We have no agents or canvassers.

Senator DOBSON.—The honorable senator must "tell that to the marines." I might have upon my committee 20 or 30 men who are interested in my return, but my honorable friends opposite, who deny that they employ any agents, have a committee of thousands, who will vote for them and for nobody else—men who would put up a lot of dummies rather than support the noblest statesman within the Commonwealth. That is an absolute fact, and, I think, effectually answers the interjection of Senator McGregor. Now let me come to one of the aristocracy of labour in the person of Senator Pearce.

Senator PEARCE.—I disown my rank.

Senator DOBSON.—The time will come when Senator Pearce will take up such a high stand in favour of justice and fair play that he will either drag the rest of the labour party up to his level or they will drag him down to theirs. I do not believe that they will drag him down. Whether or not the members of that party add to the dignity of labour depends entirely upon their actions. But what I desire to point out is that, whilst my honorable friends opposite are hurling abuse at the so-called conservative members of this House, and declaring that we have no sympathy with the workers, Senator Pearce has admitted that we have enacted such liberal laws in regard to the exercise of the franchise that if we now refuse to accede to the full demands of the party with which he is associated, it will yet monopolize the whole of the representation in this Chamber. I think that he rather let the "cat out of the bag" when he made that statement. Those

honorable senators who sit in the labour corner with smiles upon their faces, have the audacity to accuse us of being illiberal and conservative, although we have enfranchised the masses of the community to such an extent that Senator Pearce now declares that if we do not allow the electors to plump, the labour party will demand the whole of the representation in this Chamber. That is a nice threat to come from any party in the States House which has to deal with national questions. What would happen if the time ever arrived when the labour party were sufficiently strong to effectually carry out that threat?

Senator PEARCE.—At last we know the party to which the honorable and learned senator belongs.

Senator DOBSON.—I belong to the party of fair play. We all know that the position of a member of this Legislature is worth having. A member of this Parliament receives £400 a year in addition to other perquisites, and I will undertake to say that any man who might be compelled to abandon his occupation, owing to his election to this House, would be better off with that salary than as a skilled mechanic, even if he were getting £10 a week or £500 a year.

Senator MCGREGOR.—That is what the honorable and learned senator is sorry for.

Senator DOBSON.—I am afraid that Senator McGregor is accustomed to measure other people's corn by his own bushel, and sometimes that bushel is a very unjust measure. I repeat that the positions of Members of Parliament are very much sought after. If we adopted a system of proportional voting, I am afraid that, as the prizes are so great, the primary object of that system would be absolutely thwarted. Every clique in the community, and particularly the labour party, would say, "There is a parliamentary vacancy. Can we secure it for one of our friends?" Consequently they would endeavour by every possible means, to secure the return of their nominees. We have seen a little of the operation of that system in Tasmania. I believe that for an ordinary legislature it is a very fair system, which, though open to abuse, is not so to the same extent as are other systems. But if in connexion with elections for this Parliament we allow the electors to plump, the Senate will in time lose those national features which now characterize it. Under the operation of such a

system, the civil servants would be anxious to secure the return of their own nominee to protect their interests. If the churches adopted the same course, and the farmers did likewise—

Senator HIGGS.—What about the lawyers?

Senator DOBSON.—Of course, the argument can be carried to any absurdity. I hold that the Senate is the House in which national questions should be kept to the front, and that the more class questions are obtruded, the greater will be the wrong inflicted upon the people.

Senator MCGREGOR.—Is the duty upon hops a national question?

Senator DOBSON.—I have been talking a great deal about national questions. Let me give an illustration of what I mean. I believe that the labour party are too prone to consider the interests of their own class, to the exclusion of those of all other classes. What is the result? For months past we have had nothing but the fiscal issue before us. Senator Pearce joined a party which entertains certain fiscal views, but after two or three meetings we saw him no more, because the labour party with which he is associated would not allow him to attend. I am inclined to think that fact evidences that the labour party do not take the national view of affairs which is expected from them under the Constitution. They now wish us to adopt a provision which will enable electors sometimes to throw away their votes. I have no sympathy with the cry, "Why compel a man to vote for candidates in whom he does not believe?" Under such circumstances it is easy enough for any set of individuals to nominate as many candidates whose views accord with their own as there are seats to be contested. It is idle to say that we are depriving the electors of their freedom by requiring them to vote for the number of candidates for whom there are vacancies. One honorable senator has said that in future the labour party will take care to nominate as many candidates as there are vacancies to be filled. By all means let them do so. But I hold that in connexion with elections for the Senate, every elector should vote for the full number of candidates for which there are vacancies.

Senator HIGGS (Queensland).—I did not intend to make any observations in regard to this matter, but the remarks of Senator Dobson have prompted me to do

so. He never seems to address himself to any question without making an attack upon the labour party, their aims and views. He declares that its members come into the Senate to advance the interests of their own class at the expense of all other classes. But I would ask him what is the class which the labour party represents? It represents especially the working classes. When I say that, however, I do not mean that it represents only the man who has his trousers tied below his knees and carries a pick or shovel in his hand; I refer to anybody in the community who labours honestly, either by hand or brain, including the hod-carrier, the farmer, the lawyer, and the squatter. For Senator Dobson to declare that we come here in the interests of a mere section of the community is to misrepresent the party to which I am proud to belong. The honorable and learned senator has endeavoured to state a case in which the candidates returned to this Chamber would not represent the States as States. He claims that that would be the result of the operation of the provision relating to plumping. But can we not look upon the reverse side of the picture? If it happens—as it certainly will in the absence of this clause—that the three great political parties are required to organize, we shall possibly find that in New South Wales, where it is believed there is a majority of free-traders at the present time, six free-traders will be returned to the Senate. Similarly in Victoria we shall find six protectionists returned. Thus, the large body of protectionist opinion in New South Wales will not be voiced by any of the free-trade senators, and the free-trade opinion of Victoria will have no representation whatever. Honorable senators must recognise, from the votes we polled, that we are a very strong political party throughout the Commonwealth. In some States we secured the third place on the poll. In Queensland we secured the second place. Possibly we might secure the first place on a proper franchise. But if honorable senators succeed in maintaining the block vote system, we may be left out in the cold in a State like Queensland, if the conservative party, to which Senator Dobson says he belongs, happened to have a majority of one voter. When we said that we should be driven by the abolition of plumping to organize, we meant that we should be forced to do so

for self-preservation. In Queensland our success was largely due to the fact that we ran only three candidates. A large section of the general public said — "The organized labour party wish to get only three seats out of the six. They are a large body in the State, and we think that they are entitled to that amount of representation," and on that ground we received thousands of votes. But if we had run six candidates, I venture to think that those voters would have voted against us, because we desired to capture all the representation in the Senate. That is what honorable senators wish us to do. We have no desire to take up that position. We are satisfied with what we consider a fair representation in the Senate. I think that the party in each State would be satisfied to have two representatives in the Senate. We are satisfied to accept representation according to our number in the States. If the time should ever come when we represented two-thirds of the voters throughout the States, we should ask for two-thirds of the representation. But honorable senators, like Senator Dobson, wish to secure all the representation of the State for the conservative party, which represents about only one-third of the electors of the Commonwealth. Honorable senators who oppose the provision to permit a minority to get some representation also opposed the provision for proportional representation—a system which would give us a representation according to our number, and would give Senator Dobson and his fellow conservatives a representation according to their number.

Senator CHARLESTON.—The wage-earners number more than seven-eighths of the whole population.

Senator HIGGS.—Yes, but the honorable senator knows that they are not unanimous about the legislation which should be passed.

Senator CHARLESTON.—They are never likely to be unanimous.

Senator HIGGS.—Probably; but we do not merely represent persons who work for wages. Surely the honorable senator, who has been a representative of organized labour, must recognise that fact. What honorable senators will succeed in doing will be to encourage friction throughout the States. It will be recollected that when the Pacific Islands Labourers Bill and the Immigration Restriction Bill were pending, there was a considerable feeling excited

throughout Queensland. Does any one for a moment think that it would not have been accentuated if the pro-kanaka and pro-alien party in Queensland had not some one in the Senate to represent their opinions? That certainly will be brought about if we have the block system of voting. We shall have a ticket run by the *Brisbane Courier* for the conservatives, and a ticket run by the labour party—we shall have a ticket run by the various parties in the State, and the one which has the majority of votes to back up its ticket will win the election. Surely no one can believe that that is in the interests of the general community. If a majority of honorable senators were all of one opinion, the legislation would not give satisfaction throughout the Commonwealth. It would be largely one-sided. Our legislation is acceptable to the general public only because the minorities are represented in the Senate, and a minority here is able to voice its opinions and prevent the majority from going to the extreme lengths to which it would otherwise go. I can well believe that if the block system were carried out to perfection throughout the Commonwealth, a time might come when the people would rebel against the legislation of this Parliament. We do not utter a threat when we say that we shall be compelled to organize. We only make that statement with a view to deter honorable senators from forcing any party into a position, when it must endeavour to secure all the representation or get none. Honorable senators think that they are in a majority, and have behind them the powerful daily press of this State, and therefore have nothing to fear. It must be said, to the credit of the *Argus*, that it has maintained that parties throughout the Commonwealth would get their fair representation if we had a system of proportional voting. But if plumping is not allowed, it certainly will have to run a ticket of three or six men according to the number of the seats to be filled, and do its level best to secure their return. I do not like to describe the utterances of Senator Dobson as silly, stupid, or inane, because, in my opinion, those are not parliamentary expressions, but I certainly feel that there was a good deal of puerility about his opening observations. His assertion that plumping will give rise to lying, dishonesty, and trickery, is, of course, the statement of his own opinion. If candidates combine to endeavour to secure the votes of the

electors, and they cannot trust one another, surely that cannot be blamed to the system of plumping. Senator Playford and the other gentlemen he mentioned joined together in a little combine.

Senator PLAYFORD.—We had a fair, up-standing fight, in which the people voted for the two men who were wanted. We discouraged plumping.

Senator HIGGS.—The honorable senator entered into some arrangement or other to endeavour to secure votes.

Senator PLAYFORD.—No. The arrangement was that the contest should be fought out on fair lines, with no plumping.

Senator HIGGS.—In the *Sydney Bulletin* some time ago two gentlemen were depicted with a pack of cards, one asking the other, "Shall we play fair, or shall we play all we know?" Those two players knew very well before they started that if they could take advantage of one another they probably would do so. Senator Playford admits that when he was new to electioneering he got left; but he has never been left since.

Senator PLAYFORD.—I was not left then. I got returned.

Senator HIGGS.—What honorable senator, when he was standing for election would go to his opponents and ask, "Shall we play fair, or shall we play all we know?" No candidate who had ever gone through a contest would think of going to his opponent and asking a question of that kind. If he did put the question, and his opponent said, "Yes, we shall play fair," he would certainly take all the precautions he could to get all his voters to come to the polling place. If plumping is allowed, each candidate will endeavour to get all his supporters to come to the polling place—of course, in as honest a manner as can be done. I hope that honorable senators will vote against the abolition of the plumping clause, in order to give the minority a chance of getting some representation. Senator Dobson spoke of the teetotallers, the beer industry, and various other interests, and wished to make out that each interest would require to have its own representation. No political body of that kind ever expects to return a representative. There are a dozen different sects and creeds throughout the community, and only six seats in the Senate to be filled. In each State there are probably more than a dozen parties, but they

generally merge themselves into the three leading parties—the free-trade party, the protectionist party, and the labour party. I think that the representation of every interest will be secured by permitting an elector to refuse to vote for a candidate in whose principles he does not believe.

Senator O'KEEFE (Tasmania).—In this discussion, which has been worn pretty well threadbare, one aspect of this important question has not been considered. Under the Constitution Act it is quite possible—in fact, the situation now exists—for one House to show a bare majority for one fiscal policy, and the other to show a bare majority for the opposite fiscal policy. If we have only two great parties, the free-traders and the protectionists—and the dividing line is to be the fiscal policy of the Commonwealth, what chance is there of a uniform Tariff being passed? We have an instance of that kind now, because the issue is not yet settled. That is where the utility to the Commonwealth comes in of a system which would allow of preferential or proportional voting, or, if you like, permissive plumping, which, in my opinion, is the best substitute for preferential voting. By a system of permissive plumping you are likely to have returned to the Senate a number of members who do not hold fiscalism as the be-all and end-all of politics, and to get some finality to legislation. A member of any party in the Senate can hardly remain silent while it is being attacked so deliberately and so frequently as a certain honorable senator attacks the labour party whenever he addresses the Chamber. It is not very pleasant for one to have to speak of a senator or his State in that strain, but when the honorable and learned senator brings this upon himself, he cannot complain. He must not expect others from his own State to remain silent when they are spoken of as having no political principles.

Senator DOBSON.—I beg the honorable member's pardon. I said nothing of the kind.

Senator O'KEEFE.—The honorable and learned senator accused us of not being anxious to see great national questions considered in a national manner.

Senator DOBSON.—Hear, hear.

Senator O'KEEFE.—Is there any honorable senator who more than Senator Dobson has sunk great national principles and surrendered his own opinions during the Tariff discussion?

Senator DAWSON.—Which opinions has he sunk?

Senator O'KEEFE.—That question may well be asked. Senator Dobson says that the labour party only desire to represent one section of the community, and not to do their best for the advancement of national policy; yet that honorable and learned senator himself—he knows this to be true—has come into the chamber to support one party, but has deliberately walked over and supported another. He has gone backwards and forwards as he chose.

The CHAIRMAN.—The honorable senator is becoming somewhat personal.

Senator O'KEEFE.—But the speech of Senator Dobson was intended to administer a castigation to the members of the labour party. I belong to that party, and am proud of it. If Senator Dobson belonged to it he might have more solidity of political principle than he has shown during the Tariff debates. I do not know any member of the labour party who has got himself interviewed recently and called himself a strong supporter of the Government, but who nevertheless is now taking Senator Pearce to task for leaving the caucus meetings of the free-trade party held for the purpose of organizing the vote against the Government. When an honorable senator gets up and talks to the gallery, referring to the members of a party as coming here only to advance the interests of a certain section of the community, while he himself has been quite oblivious to all ideas of national principle and policy, it is time for the members of that party to defend themselves.

Senator HIGGS.—How did the protectionist Dobson get into the free-trade caucus?

Senator O'KEEFE.—I am sure I do not know. The labour party have been charged with being anxious to secure this amendment in favour of plumping. We acknowledge it, and say that we are only asking for justice. Surely even Senator Dobson will not deny that the labour party should have some representation in Parliament? We do not ask for any greater representation than the electors behind us entitle our party to have. The labour party honestly and conscientiously tries to represent three-fourths of the electors of Australia.

Senator EWING.—If the labour party represented three-fourths of the electors, its candidates would be returned in a bunch.

Senator O'KEEFE.—Senator Ewing only a few months ago made a strong speech in favour of preferential voting, but now, when he is offered the next best thing to it, he turns round and votes against it, because he thinks it will help the labour party. I believe that within a few years the people of Australia will demand preferential voting, so that not only the two great fiscal parties, but also the third party will be able to get their fair measure of representation in Parliament. That is all that I claim.

Senator EWING.—Why did not the labour party vote for the preferential system?

Senator O'KEEFE.—I am not the keeper of the political opinions of other people, but only of my own; I voted for it. Such an interjection comes with bad grace from Senator Ewing. I do not mean to say for a moment that all the opponents of permissive plumping are against it because they want to keep the labour party out of Parliament. I have too much confidence in the justice of many honorable senators, who do not belong to the labour party, to think that. But I tell them in all good faith—and if they think over the matter quietly they must admit this to be true—that the operation of the block system of voting must always be dead against the labour party. Every one knows that the main dividing line at every election is fiscalism. A man must be a strong protectionist or a strong free-trader to be placed upon the ticket of any newspaper; and considering the power of the great daily journals all over the Commonwealth, a man who is not on the ticket of one of the newspapers has a very poor chance of being returned. The labour party candidly and honestly acknowledges that it would like preferential plumping to be instituted, because it believes that that system would give to it that measure of right to which it is entitled. It wants no more than that. I ask honorable senators to look at the question in a fair and just spirit, and see whether they are not, by voting against the permissive plumping system, taking away from the electors the privilege they have had in three of the States. If we take from the States privileges they had before, they will begin to think that they made a big mistake in joining a federation which has brought about this new uniform electoral system. I have very little hope that the permissive plumping system will be carried in the Senate, but I believe that

before very long the preferential voting system will be forced upon Parliament by the people.

Senator PEARCE (Western Australia).—I should not have risen again except to make a personal explanation in regard to the charge that has been made against me and my party by Senator Dobson. He has made the statement that I attended certain caucuses of the free-trade party, and that I ceased attending them at the dictation of my party. I give that statement a distinct denial. It is totally incorrect. If I required any proof of that statement, I might ask the secretary of the free-trade party whether it is not a fact that I left the caucus of my own free will, and told them so at the time. The difference between Senator Dobson's position and mine is that I left the caucuses of the free-trade party of my own free will, but he left them at the free will of the free-trade party!

Senator DAWSON (Queensland).—It is just as well that before the division is taken the position of parties should be clearly and distinctly understood. I understand from the interjections of Senator Ewing and others that they are opposing the plumping system because certain honorable senators did not vote with them with regard to preferential voting. So that their attitude is not dictated by political conviction or principle, but is a question of personal pique.

Senator CHARLESTON.—The honorable senator is asking for justice, and we say that he was offered justice in the form of preferential voting.

Senator DAWSON.—I should like to put before the committee the position of Queensland in this regard. When I previously addressed myself to the subject I pointed out the unfortunate position in which we shall place the people of Northern and Central Queensland if we do away with the plumping provision. I stated that the population of Queensland is settled in such a manner that the residents in the southern portion far outnumber those of the central and the northern divisions, even when combined. I will endeavour to show what the facts are. Take the present divisions for the Queensland Legislative Assembly. There are 72 members for the various electorates. The south returns 46 members, the central districts return ten, and the northern districts return sixteen. In other words, the central and northern

districts return a total of 26, while the southern districts return 46. The trouble in Queensland for years past has been that a small handful of people, with a minority representation in the Legislative Assembly, have been struggling to get what they consider to be justice for themselves from the southern majority, but have failed. When federation was proposed, it was thought by the people in the northern and central portions of the State that they would have a better chance of obtaining justice at the hands of the Commonwealth Parliament. The result was that there was a very active canvass prior to the referendum, and right up to the time when the vote took place, in the centre and the north. When the referendum was taken it was the solid block vote in the north and the centre that enabled Queensland to enter the federation. I have rather hurriedly tried to obtain the latest figures in the Library. The return published in the press after the vote was taken, on the 2nd of September, gives the following figures. These figures, I should explain, are the first lot published; the figures were published from time to time during the poll until the count was completed, and were in about the same proportion. In the south, the number of those who voted "Yes"—in favour of joining the federation—was 18,048; those who voted "No" numbered 20,076, showing a majority against Queensland entering the Commonwealth of 2,028 votes. In the southern portion those who voted "Yes" numbered 4,786; those who voted "No" numbered 3,513, or a majority for joining the federation of 1,273. I speak feelingly in regard to the north, which I have represented for many years. There, 9,531 votes were polled in favour of Queensland entering the Commonwealth, while only 1,969 were cast against it, the majority in favour of federation being 7,562. If the great southern population in Queensland had had its own way, or if the north and centre had voted in the same proportion against federation, the State would not to-day have been in the Commonwealth. I submit in all sincerity that honorable senators from other States have to-day an opportunity to do justice to those portions of Queensland, and that they should do it irrespective of any preconceived notions of what the State of Queensland was.

Senator EWING.—The people in the north supplied the wisdom wanting in the south. We trust they will continue to do so.

Senator DAWSON.—We supplied not only the wisdom which was wanting in the south, but that which was lacking in some of the other States, particularly in Western Australia. We also supplied the numbers necessary to enable Queensland to enter the federation. Are we now to go back, by an act of the Commonwealth Parliament, to our old position, and be completely at the mercy of the large population in the south? If so, we shall have gained absolutely nothing by joining the federation; we shall have entered the union only to obtain the temporary advantage reaped in the first session of the Commonwealth Parliament. I desire to draw special attention to the fact that honorable senators from Queensland represent a State in which plumping was permitted, and that it was because of that that honorable senators from the north were able to be returned. By our presence here we have succeeded to a great extent in moulding a Tariff which is fair to the north and central portions of Queensland, while not being unfair to the south. That is a condition of affairs which has not hitherto existed in Queensland, and the absence of which kept the separation movement going with so much strength and activity in the north and the centre of that State. Another question which we have solved here is the problem of ridding the coast-line, and the northern parts of the State, of the coloured curse. We were utterly unable to do so before, because we were out-voted time after time in the State Legislature. The people of Northern and Central Queensland, with the assistance of the southern democracy, returned us to the Senate, and we have solved the problem. But if the Senate takes away the right to plump, and destroys the possibility of the people of Northern and Central Queensland obtaining any representation, they will be placed in exactly the position they occupied before this Parliament was established. We shall again suffer the old disabilities and disadvantages under which we laboured so long. When I pointed out to my fellow colonists the advantages which we were likely to reap by joining the Union, and urged them to vote for federation, I felt that those advantages would not be merely temporary—that they would not extend over only one session, but that we should enjoy them as long as the Federation existed. It appears to me, however, that

an effort is now being made by those representing two great contending parties, who have nothing whatever to do with the political differences in the other States, to make us the scape-goats of their little quarrels.

Question — That the amendment be agreed to—put. The committee divided.

Ayes	...	...	9
Noes	...	...	18
<hr/>			
Majority	...	...	9

AYES.

Dawson, A.	O'Connor, R. E.
De Largie, H.	Pearce, G. F.
Drake, J. G.	Stewart, J. C.
Higgs, W. G.	<i>Teller.</i>
McGregor, G.	O'Keefe, D. J.

NOES.

Best, R. W.	Playford, T.
Charleston, D. M.	Pulsford, E.
Dobson, H.	Sargood, Sir F. T.
Ewing, N. K.	Smith, M. S. C.
Fraser, S.	Styles, J.
Glassey, T.	Symon, Sir J. H.
Gould, A. J.	Zeal, Sir W. A.
Macfarlane, J.	<i>Teller.</i>
Millen, E. D.	Clemons, J. S.
Neild, J. C.	

PAIRS.

<i>For.</i>	<i>Against.</i>
Keating, J. H.	Matheson, A. P.

Question so resolved in the negative.

Amendments omitting clauses 166 to 168 agreed to.

Consequential and verbal amendments in clauses 152, 154, 157, 159, 161, 163, 164, 165, 173, and 174 agreed to.

Clause 174 (Expenses allowed).

Senator DRAKE.—In addition to the verbal amendment to which we have just agreed, the House of Representatives has amended this clause by striking out the words "(VII.) Election agents." The question of whether expenses should be allowed in respect of election agents was discussed when the Bill was last before us. It was also discussed in another place, and at the present time the two Houses are not in accord in regard to it. When we were considering this clause in committee on a previous occasion a motion was moved to strike out the words "election agents," but was negatived by a large majority. In another place a motion to strike out the words was carried by the narrow majority of two. I see no reason why we should depart from the attitude which we took up in the first instance. So far as I have been able to learn from the reports of the debates, the balance of argument is in favour of the retention of the

words. I think it would only be fair to all sides to retain them, because in some cases the services of an election agent are very much more necessary than in others. I move—

That the committee disagree to the amendment omitting the words “(VII.) Election agents.”

Motion agreed to.

Clause 178 (Breach or neglect by officers).

Senator DRAKE.—In this clause the House of Representatives has inserted the following new paragraph, which defines what is a breach of duty—

(IIIA.) Any attempt by a person authorized or required by this Act to witness the signature of an elector on the counterfoil of a postal ballot-paper to influence the vote of the elector whose signature he witnesses, or except as provided by section 119A—

That clause relates to the blind and illiterate—

to look at the elector's vote.

I desire to amend the amendment by adding certain words to the paragraph. I move—

That the amendment be amended by the addition of the following words—“And a disclosure by any person authorized to mark the vote of an elector on a postal ballot-paper touching the vote of the elector.”

It is necessary that that should be made an offence.

Amendment of the amendment agreed to.

Question — That the amendment, as amended, be agreed to—resolved in the affirmative.

Clause 182 (Licensed premises not to be used for election purposes).

Senator DRAKE.—The House of Representatives, by their next amendment, propose to omit this clause, which prohibits the use of a place where intoxicating liquor is sold for “the purpose of promoting or procuring the election of a candidate.” Under the clause it would be impossible for a candidate anywhere to make use of such premises. But it has been pointed out that in some of the remote districts of Australia it would be extremely inconvenient to absolutely prohibit the use of such premises. I move—

That the committee agree to the amendment omitting clause 182.

Senator STEWART (Queensland).—I must protest against the committee agreeing to omit this clause. Senator Drake has said that the reason why the House of Representatives has decided to delete it is

because in some of the outlying districts of Australia it is not possible to find a place other than an hotel in which to hold political meetings. We have as many outlying places in Queensland as there are in any other State of the Commonwealth, and yet the law of that State has hitherto been that no meeting whatever in connexion with an election shall be held on licensed premises. We have found that law to work remarkably well; and to abolish it and give permission to hold political meetings on licensed premises will give rise to a great deal of corruption that we might very well try to prevent. The reason given for the omission of the clause by Senator Drake is one which does not apply, and I shall certainly vote against the motion.

Senator HIGGS (Queensland).—I cannot understand why there should be such a readiness on the part of some honorable senators to go back upon a previous decision of the Senate. Every candidate, whoever he may be, has ample facilities for addressing electors outside of a public house. As Senator Stewart has said, it is the law in Queensland that no meeting in connexion with an election can be held in a public house. We never experienced any difficulty on that account. If it happened that we were at a place where there was no public hall or State school available in which to hold a meeting, we got a cart and addressed the electors from the cart tail, or we got an empty case and spoke from it. I know that the holding of public meetings in connexion with elections at public-houses has prevailed in States like New South Wales to the great disadvantage of the general public. I have heard of public houses being used for the purpose of sending voters into the polling booth to vote early and often, and in some cases, men who had not their names on the rolls, and who, it has been rumoured, received a certain sum for their services. The holding of election meetings in public houses will only encourage that kind of thing. Public opinion throughout the Commonwealth is very much in favour of having public-houses closed upon the day of election. If it were not that such a provision would be evaded by candidates taking barrels of beer to their committee rooms, I have no doubt that it would be inserted in the Electoral Bill. We cannot carry out the idea of the people to close public-houses on election day, but we can carry out the idea that there shall be no

election meeting held in a public-house. There are thousands of people throughout the Commonwealth who do not care to enter a public-house.

Senator Sir JOSIAH SYMON.—The clause goes much further than prohibiting the holding of election meetings. It says that no licensed premises, or any part thereof, shall be used for the purpose of promoting or securing the election of a candidate.

Senator HIGGS.—I admit that it goes beyond the holding of an election meeting, but I think the great danger will be in the holding of such meetings in public-houses, and in the throwing of such houses open for the distribution of free beer, and so on. We have in this Bill a schedule of offences against the electoral law, and penalties provided for wrongful practices and corruption of all kinds; but while passing these penal clauses, if this clause is omitted, as proposed, we shall be throwing open the door to every kind of wrong-doing. What argument is there in favour of the holding of election meetings in a public-house? We provide that a candidate shall only spend, in the case of an election for the Senate, some £250 upon his election. What senatorial candidate will be able to conduct his election on that sum if we permit the holding of election meetings in public-houses? This is a very important matter, and I protest against the omission of the clause, which was passed after a great deal of consideration by the Senate.

Senator CLEMONS (Tasmania). — I think with regard to this clause that the House of Representatives has taken a much broader view than did the Senate, and I intend to support the Government in the proposal to omit it. I would point out to Senator Higgs and those who think with him that the clause should be retained, that there will be no compulsion to take people in to drink, or to use the drinking rooms of an hotel at all. The clause is an extremely comprehensive one, and provides that no part of any licensed premises shall be used for the purpose of promoting or securing the election of a candidate. If such a clause were enforced with rigour it would be practically impossible for a candidate to meet his election agent, for instance, at an hotel in order to discuss matters in connexion with his election, and it would also be impossible for a candidate in many places to use the only hall available for the purpose of addressing a

meeting indoors. I would remind honorable senators that the clause refers not only to hotels, but to the premises of clubs, societies, or associations, and under it it would be impossible for a candidate to discuss the chances of his own election at a club with any of its members. I do not think the committee should take up a grandmotherly and teetotal attitude in this matter. I do not object to teetotalism, but I do not think we should carry its principles in to elections. Senator Drake is right in proposing that we should agree to the amendment made by the House of Representatives, and I intend to support him.

Senator DOBSON (Tasmania).—I think that Senator Drake is wrong in asking us to omit this clause. I cannot take the view expressed by Senator Clemons. The clause may appear to be a little strict, but if it is too strict, it can easily be altered, and it is not necessary that it should be struck out. What I understand would be prohibited under the clause is the holding of election committee meetings, and the carrying on of the business of an election candidature at an hotel. It does not mean that if Senator Clemons and I were stumping Tasmania, we could not put up at an hotel, or that we could not receive our political friends there. To my mind, the proposal to omit the clause is retrogressive. We all know that at election times some places are swimming in beer. On the one hand, as Senator Higgs has rightly pointed out, we make "treating" an illegal practice, and yet if this clause is omitted, and an election committee meet at an hotel, a candidate may be charged with "treating" if his agent offers refreshment to those present. It has been found that to permit candidates to use hotels in any way whatever leads to drinking and treating. Why should we provide that no candidate or agent shall give a glass of beer to an elector for the purpose of influencing a vote, and at the same time allow them to go to hotels and hold committee meetings? The price of the room hired for such a purpose would not amount to more than 5s. or 10s., but every one who went there to see the candidate would be asked to drink. We know that the habit of treating is too prevalent in Australia, and we should do everything we can to guard against it. There cannot be any excuse for striking out this clause, and I doubt even if it requires any modification.

Senator PULSFORD (New South Wales).—I think that it is distinctly to the credit of the labour representatives that they have taken a stand upon this clause, and I propose to support them. I must admit that in its present form the clause is rather wide in its scope, and more searching in its operation than it should be. I have had a good deal of electioneering experience, and I know that there are real dangers to guard against in connexion with the use of hotels. The tendency of recent legislation has been to promote the purity of elections, and this clause is a step in that direction. If an amendment were proposed limiting the operation of the clause, I should probably support it, but for the present I intend to aid other honorable senators who think that it should be retained.

Senator EWING (Western Australia).—One aspect of this matter should not be overlooked. In a State like Western Australia it is very often difficult to find any hall suitable for the purpose of a public meeting, except one adjoining an hotel. Strictly speaking, if a candidate were to speak in such a building he would be liable to be unseated. Every honorable senator who went away into the back country of Western Australia had to speak in halls of this character, and consequently had to run the risk of losing his seat. If the clause provided that no committee or public meeting should be held in an hotel it would have far more to commend it, but it would be unreasonable to provide that no part of any licensed premises shall be used for any purpose by a candidate. Senator Smith was foolish enough on one occasion to meet a few friends in an hotel, and his nomination was refused on that ground.

Senator STANFORTH SMITH.—I was not present, but my committee held a meeting in an hotel.

Senator EWING.—Because a few friends of the honorable senator's met in an hotel he could not be nominated for the Kalgoorlie seat in the State Legislature. If it is desired to prevent electors from being influenced by the sale of liquor, it would be better to close all the hotels on polling day.

Senator DOBSON.—Would the honorable and learned senator support a proposal to that effect?

Senator EWING.—I shall declare myself when the matter comes under consideration. What I now contend is that candidates

should not be liable to lose their seats on account of some perfectly innocent act, or because they hire halls for the convenience of their hearers and themselves. I do not think it is fair to ask the electors to stand for several hours out in the dust at such a place as Kalgoorlie, or to require candidates to speak in the open air more than is absolutely necessary. If a reasonable proposition were made, I would support it, but I must express my approval of the action of the House of Representatives.

Senator DAWSON (Queensland).—I hope the Senate will insist upon retaining this clause. Some honorable senators have overlooked the condition of affairs which rendered it necessary to insert, in some of the State Acts, provisions similar to that contained in the clause. When the great struggle between the McIlwraith and Griffith parties was being carried on in Queensland, the political section which could command the biggest purse arranged to have open houses from the opening of the election campaign until its close. Free drinks were the order of the day throughout the electorates, and public opinion reached such a pitch that both parties agreed to certain restrictions. If one candidate desired to observe the law whilst the other, having plenty of money, wished to spend it freely in promoting his election, he might arrange with the hotel-keepers to dispense refreshment in his interest.

Senator FRASER.—But that expenditure would come within the scope of the provisions limiting the amount to be disbursed in election expenses.

Senator DAWSON.—No, it would not. I admit that the amount to be expended for election purposes is limited, but the expenditure to which I have been referring is of such a character that it could not be traced. This clause will have the effect of putting a stop to all abuses of that kind. A similar provision has proved most effectual in Queensland. In that State they have not only prevented candidates and agents from using hotels for election purposes, but in order to prevent votes from being unduly or improperly influenced it is enacted that the candidate shall not buy a meal for an elector before he has cast his vote; and properly so, too.

Senator Sir JOSIAH SYMON.—But that would be "treating," and would be an illegal practice under the Bill.

Senator DAWSON.—Surely the honorable and learned senator realizes that if the candidate bought a shandygaff for an elector he would be “treating” him.

Senator Sir JOSIAH SYMON.—That would be so whether this clause were inserted or not.

Senator DAWSON.—But the clause would impose an additional check. Senator Ewing has mentioned that in the outlying districts of Western Australia in many cases the only hall available for the purposes of public meetings is one attached to a hotel. I question very much whether there are many instances of that kind; if so, the places in Western Australia must be very small. In Queensland we have a wide territory and a scattered population, but we have never experienced any difficulty in explaining our views to the electors, and I see no reason why candidates in the other States should not get along just as well. Candidates in Queensland are not only prevented from using licensed premises for election purposes, but they are not permitted to make use of State schools without special permission from the Minister. If we desire the electors to go to the poll in their sober senses, and cast their votes free from all undue influences, we should hedge round our electoral system with the most effectual safeguards. I believe not only in preventing the use of hotels for election purposes, but, where possible, in closing all licensed premises on polling day.

Senator DRAKE.—In this matter we are all inclined to be influenced by the practice followed in our own particular State. Personally, I am satisfied with the Queensland Act, which prohibits the use of any part of licensed premises for election purposes, but I know that no such law has been in operation in New South Wales, Victoria, or South Australia, and honorable senators who represent those States see no necessity for imposing the restrictions contained in the clause. I cannot help thinking that Senator Dawson made the mistake of confusing the matter we are now discussing with the illegal practice of treating. That is specially dealt with in clauses 179 and 180, under which candidates are precluded from treating voters to either meat or drink at election times.

Senator DOBSON.—Why should we allow candidates and agents to go to the places where drink is to be obtained, and where they are expected to consume it?

Senator DRAKE. — Some honorable senators have pointed out that in outlying and newly-settled districts there are many instances in which the only hall available for a public meeting is one adjoining an hotel. The question is whether we ought, by putting a clause of this kind in the Bill, to absolutely debar a candidate or his agents from using licensed premises at any time; but that is quite apart from the question of supplying drink.

Senator PEARCE (Western Australia).—The Postmaster-General maintains that under clauses 179 and 180 there is all the protection necessary to prevent the use of drink at election meetings. But if committee meetings be allowed at an hotel, it is possible that the rent paid for the room may be in excess of the ordinary rent, and that the balance may be spent on liquor apparently provided gratis by the publican. Who has not seen that carried on at elections?

Senator Sir WILLIAM ZEAL.—Who has seen it?

Senator PEARCE.—I have.

Senator Sir WILLIAM ZEAL.—I have not, and I have had a good deal more experience than the honorable member.

Senator PEARCE.—I have seen it in Western Australia. In that State committee meetings for municipal purposes are allowed in hotels, and it often happens that immediately the business is over drink is brought in, and freely supplied to the members of the committee, and to any ratepayer who may be present. The candidate, of course, does not pay for the liquor, but he pays a large rent for the room.

Senator FRASER.—“Suspicion ever haunts the guilty mind.”

Senator PEARCE.—It is not suspicion, but what has happened many times. I hope we shall dissociate our politics from “booze”; and that can be done by insisting on this clause. As to not being able to find accommodation in small places, I guarantee that any township big enough to support an hotel also supports a church and a school. In Victoria, some of the little country towns, not even large enough to support an hotel, can boast a library or a mechanics’ institute; and, under all the circumstances, it is the most hollow pretence to say that the clause is not necessary. It is distinctly against the interests of pure elections to allow public-houses to be used for electioneering purposes. Although I am a temperance man

myself, I am not prejudiced in this matter ; but only speak from what I have seen in connexion with municipal elections in Western Australia, where these practices prevail, notwithstanding that there are the same penalties as provided in the Bill against the giving of liquor as a bribe. If there are not buildings available, it is possible to hold meetings in the open air for nine months of the year in Australia, and I trust that the committee will not go back on its first determination. No reason was given in the other place for striking out this clause. Only two members spoke, one of whom asked why the clause had been inserted.

Senator DRAKE.—That was the leader of the labour party.

Senator PEARCE. — But he was not speaking on behalf of the labour party ; and when the question was asked, a member of the Government replied—"I do not exactly know, but I think we might as well strike it out."

Senator DRAKE.—What the member of the Government said was that he did not approve of the clause.

The CHAIRMAN.—I hope these references to the debate in another place will cease.

Senator PEARCE.—The Government could give no reason for striking out this clause other than that they did not know why it was inserted.

Senator DRAKE.—That is not correct.

Senator PEARCE.—The committee of the Senate, by a large majority, expressed the view that the clause would tend to preserve the purity of elections, and surely some reason should be given by the Government for striking it out ?

Senator DRAKE.—The clause was adopted on the voices.

Senator PEARCE.—I ask the Government to prove that any hardship will be imposed on any candidate by preventing the use of licensed premises. I have been all over Victoria, and everywhere I found a church hall, or, at any rate, a State school-room.

Senator MILLEN.—State school-rooms are not available in New South Wales.

Senator PEARCE.—I ask honorable senators whether, in past elections, they have not seen a candidate explaining his views from the balcony of an hotel, while a member of his committee invited the

free and independent electors to interview the publican at the close of the meeting. I saw that myself in the model State of South Australia, at Port Adelaide. The clause is no innovation. It is the law in Western Australia, so far as regards parliamentary elections, and it is the law in Queensland, and I believe in some of the other States. Are we to take fewer precautions than the States to keep our elections pure ? In my opinion, we should set an example, and adhere to our former decision.

Senator HIGGS (Queensland).—I ask Senator Drake how undue influence can be proved if a candidate calls a meeting at an hotel, and his canvasser invites all and sundry to attend, when some leading citizen may be in the chair, and after the business has been concluded, drink is suggested ? The candidate may not pay for the drink, nor may the chairman, but probably the agent provides the money. In my opinion, it would be a very difficult matter to prove that either the candidate or the agent had supplied meat and drink for the purpose of securing the election. A candidate may be a poor man, and he ought not to be put into competition with, and possibly considered mean as compared with a rich opponent, who can give drinks to all and sundry. There are certain electors who, if they receive drink at the hands of one candidate, consider that they ought to be supplied by all candidates. Did "suspicion haunt the guilty mind" of Senator Fraser when he voted for the clauses which provide against bribery and corruption ? The honorable senator, in one of his speeches, gave a pretty good idea of what he knows about elections.

Senator FRASER.—I am no "chicken" at elections !

Senator HIGGS.—Then the honorable senator ought to know what is carried on in hotels when election meetings are held therein. If honorable members are not satisfied with the clause inserted by this Chamber, they ought to furnish some modification which will meet the views of the majority who believe in having elections as pure as possible. In this connexion, I draw honorable senators' attention to the following clause from the Queensland Elections Act :—

It shall not be lawful to use—

- (a) Any premises on which the sale, by retail, of any intoxicating liquor, is authorized by a licence ;

(b) Any premises where any intoxicating liquor is sold, or is supplied to members of a club, society, or association other than a permanent political club; or

(c) The premises of any State school, or school in receipt of aid from the Consolidated Revenue Fund;

or any part of any such premises, as a committee-room for the purpose of promoting or procuring the election of a candidate at an election.

Every person who—

Hires or uses any such premises, or any part thereof, for a committee-room, or

Lets any such premises or part, knowing that it was intended to use the same as a committee room,

shall be guilty of illegal hiring.

Provided that nothing in this section shall apply to any part of such premises which is ordinarily let for the purpose of chambers or offices, or the holding of public meetings or of arbitrations, if such part has a separate entrance and no direct communication with any part of the premises on which any intoxicating liquor or refreshment is sold or supplied as aforesaid.

Senator EWING.—That is a much better provision than the clause.

Senator HIGGS.—The Queensland section would, I think, carry out the suggestion made by Senator Clemons, who mentioned cases in which the only available hall is attached to an hotel. It is not fair to ask a temperance candidate who, for conscientious reasons, may object to enter an hotel, to follow the example of another candidate who has no such scruples.

Senator DRAKE.—A candidate is not asked to do so.

Senator HIGGS.—But a candidate may be placed at a disadvantage if he does not hold meetings in an hotel. There is a feeling amongst certain electors that a candidate who is able to spend money liberally is to be preferred. Further, we must not forget that the franchise has now been conferred on women, and I am sure no honorable senator would support a clause which might induce women to enter hotels.

Senator DRAKE.—There is no inducement.

Senator HIGGS.—There must be an inducement if candidates are compelled to hold their meetings in hotels. There are many men in the community who, if brought into company in an hotel, are likely to break away from good resolutions which they may have formed; indeed, it is possible that the holding of election meetings in hotels might mean absolute ruin to certain very good citizens. Some honorable senators profess to discover

in the clause which it is proposed to eliminate something which will interfere with the ordinary liberty of the candidate and of his secretary. They apparently believe that under this provision a candidate and his secretary would be debarred from putting up at an hotel during an electoral campaign. If that be so, let them suggest a modification of the clause providing that the candidate may not hold a public meeting in the hotel, and may not have the headquarters of his committee there. I am sure that such a provision will meet the desire of Senator Pearce, and of those who think with him.

Senator MILLEN (New South Wales).—Under no condition could I see my way clear to support this clause, but to my mind the section of the Queensland Act to which reference has been made could with advantage be substituted for the Government proposal. That section first imposes a prohibition upon the use of any licensed premises as a committee-room for the purpose of promoting or securing the return of any candidate at an election. I have no objection to that. But to declare that a candidate travelling from one town to another shall be debarred from meeting the few settlers of any neighbourhood at a wayside hotel to discuss his prospects with them is a very different matter. Under this provision the door will be opened to all sorts of blackmailing devices.

Senator DAWSON.—If a candidate is prohibited from using an hotel, he cannot be blackmailed.

Senator MILLEN.—He will be blackmailed for the very reason that he will be compelled by force of circumstances to make use of hotels. I repeat that the Queensland Act prohibits the use of licensed houses for committee meetings. It further provides—

Nothing in this section shall apply to any part of such premises which is ordinarily let for the purpose of chambers or offices, or the holding of public meetings, or of arbitrations, if such part has a separate entrance, and no direct communication with any part of the premises on which any intoxicating liquor or refreshment is sold or supplied.

I am prepared to support such a provision, but in answer to the statement which has been made that no town of any size lacks a public hall, I desire to say that I could mention several such instances in New South Wales. For example, in the town of

Bourke, which a little while ago had a population of 3,500, the only hall available for public meetings is one connected with a licensed house. The section from the Queensland Act would exactly meet that case, because although the hall was part of licensed premises, it was accessible by a separate entrance. I suggest that the Postmaster-General should consider the expediency of substituting the section referred to for the clause in the Bill.

Senator DRAKE.—I am disposed to think that the provision which finds a place in the Queensland Act is better than the clause proposed in this Bill. The former prevents evils from arising, and yet is not so stringent in that it does not absolutely debar the use of licensed premises under certain conditions. I will take the suggestion which has been made into consideration to-morrow.

Progress reported.

CUSTOMS TARIFF BILL.

Bill returned from the House of Representatives with the following message :—

The House of Representatives returns to the Senate the Bill intituled "*A Bill for an Act relating to duties of Customs*," and acquaints the Senate that, having regard to the fact that the public welfare demands the early enactment of a Federal Tariff, and pending the adoption of Joint Standing Orders, the House of Representatives refrained from the determination of its constitutional rights or obligations in respect to the Senate's Message of the 3rd September, 1902, and resolved to receive and consider it forthwith.

The House of Representatives has amended its amendment in regard to Senate Request No. 38.

The House of Representatives has made the amendment requested by Senate Request No. 37.

The House of Representatives has, with modifications, now made the amendments requested by Senate Requests Nos. 36, 39, 41, 42, 43, 44, 45, 46, 58, 59, and 66.

The House of Representatives adheres to its modification in regard to Senate Request No. 9.

The House of Representatives has not made the amendments referred to in Senate Requests Nos. 4, 7, 8, 15, 16, 20, 25, 26, 29, 30, 67, 86, and 90.

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The date from which the amendments now made come into effect has been modified to 4th September, 1902, the date on which the House of Representatives agreed to the amendments.

Motion (by Senator O'CONNOR) proposed—

That the Message be printed, and taken into consideration on Tuesday next.

Debate (on motion by Senator Sir JOSIAH SYMON) adjourned.

Senate adjourned at 10.8 p.m.

House of Representatives.

Thursday, 4 September, 1902.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

DEFENCE RETRENCHMENT.

Mr. O'MALLEY.—I desire to ask the Acting Minister for Defence if, in view of the fact that he has succeeded in saving £160,000 in military expenditure, he will endeavour, before the return of the Minister for Defence, to reduce the whole of the military expenditure for next year to £350,000?

Sir WILLIAM LYNE.—It must not be assumed that we have been able to make a reduction of £160,000 in the Defence Estimates because of past extravagance. A number of items of expenditure with which we are now dispensing, might at other times be regarded as necessary. I am not prepared to go any further at present in making reductions.

Mr. JOSEPH COOK.—I desire to know when the Acting Minister for Defence expects to be in a position to lay upon the table his scheme of defence reorganization?

Sir WILLIAM LYNE.—It is quite impossible to indicate the exact time at which that will be done, but it certainly will not be later than the time fixed for the consideration of the Defence Estimates. I hope that period will not be long deferred. If an opportunity offered, I should be quite prepared to give the fullest particulars before that date, but I do not think it would be convenient for the House.

GOVERNMENT HOUSE GARDENS EMPLOYÉS.

Mr. HIGGINS.—I desire to ask the Minister for Home Affairs if it is true, as stated in one of the newspapers this morning, that it is his intention to dismiss the men who have been employed in the Government House gardens, and to put on casual labourers who are to be paid by the hour?

Sir WILLIAM LYNE.—It is quite true that, on the recommendation of Mr. Guilfoyle, the men hitherto employed at the Government House grounds are to be returned to the State service, and that certain other men are to be employed permanently, and not from hour to hour, at the usual rate.

Mr. HIGGINS.—Is the dismissal of these men due to misconduct or inefficiency?

Sir WILLIAM LYNE.—The men are not being dismissed, but are being returned to the State. So far as I can gather, and I have taken every precaution to substantiate the statements made to me, matters have not been satisfactory. Mr. Guilfoyle had no control over the men, and I conceive that it is right that the Curator of the Botanic Gardens adjoining Government House should exercise some authority over the men employed in the latter place. Mr. Guilfoyle informed me that it was absolutely impossible to continue the old arrangement with any satisfaction.

Mr. TUDOR.—Is Mr. Guilfoyle a Federal or a State officer?

Sir WILLIAM LYNE.—He is a State officer, but I have communicated with him with the concurrence of the State Government.

WESTERN AUSTRALIAN CUSTOMS.

Mr. MAHON.—I desire to ask the Minister for Trade and Customs if his attention has been drawn to a statement which appears in the newspapers to-day to the effect that the Customs authorities in Perth have been informed by him that from 8th October next 20 per cent. of the duties imposed by the special Western Australian Tariff will cease to have effect, in accordance with the provisions of section 95 of the Constitution? If this instruction has been given by the Minister, I should like to know how he reconciles it with the decision of the Victorian Supreme Court, in the case of *The King v. Abrahams*. In that case it was laid down that uniform duties of customs had not been imposed. The defendant was charged with having defrauded the revenue, but the court decided that as there had been no authority so far given for the imposition of the Federal Tariff, the charge of fraud could not be sustained. I should like to know how the Minister can, under these circumstances, instruct the Customs officers in Perth, that the duties collected under the Western Australian Tariff are to be reduced by 20 per cent. as from 8th October next instead of from a date twelve months after the time at which uniform duties of customs are legally established.

Mr. KINGSTON.—With every respect to the Victorian court, I do not agree with their decision.

Mr. MAHON.—But the Minister will have to accept it.

Mr. KINGSTON.—Certainly not; there are higher courts. There is no doubt that we are giving effect to the full intention of the Federal Parliament. Upon the 8th October last the federal duties were imposed by collection, and we have been collecting them ever since, and we shall welcome the time when the special Tariff ceases. It has been in operation since 8th October last, and we do not intend to continue it—and I do not suppose the people of Western Australia would desire it to be continued—one moment longer than is provided for by the Federal Constitution, in view of the imposition of uniform duties since October last.

TEMPORARY EMPLOYEES.

Mr. WILKS asked the Minister for Home Affairs, *upon notice*—

In the case of those persons who are now temporarily employed by the Government in public departments, especially the Customs department—

1. Is it proposed before the Public Service Act is brought into operation to place them permanently in the positions they occupy, if there is a necessity to retain their services?

2. If not, will they be given a preference over other persons when the occasion arises to make permanent appointments, provided that they have displayed their competency to discharge the duties attached to the positions?

Sir WILLIAM LYNE.—In reply to the honorable member's questions, I desire to state—

1. Inquiry is being made with the view of ascertaining the names of persons temporarily employed in the various departments, and whether the work on which they are engaged is likely to be permanent. When this information is complete, the cases of the temporary employees considered suitable for appointment will be taken into consideration with a view to their transfer to the staff.

2. No; each case must be considered on its merits.

PREFERENTIAL RAILWAY RATES.

Mr. TUDOR (for Mr. KIRWAN) asked the Minister for Home Affairs, *upon notice*—

1. Whether, in view of growing dissatisfaction existing concerning the continuance of preferential railway rates, and the fact that these rates tend to defeat Inter-State free-trade, he means to re-introduce the Inter-State Commission Bill as early as possible next session; and

Bourke, which a little while ago had a population of 3,500, the only hall available for public meetings is one connected with a licensed house. The section from the Queensland Act would exactly meet that case, because although the hall was part of licensed premises, it was accessible by a separate entrance. I suggest that the Postmaster-General should consider the expediency of substituting the section referred to for the clause in the Bill.

Senator DRAKE.—I am disposed to think that the provision which finds a place in the Queensland Act is better than the clause proposed in this Bill. The former prevents evils from arising, and yet is not so stringent in that it does not absolutely debar the use of licensed premises under certain conditions. I will take the suggestion which has been made into consideration to-morrow.

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Sir WILLIAM LYNE.—It is quite true that, on the recommendation of Mr. Guilfoyle, the men hitherto employed at the Government House grounds are to be returned to the State service, and that certain other men are to be employed permanently, and not from hour to hour, at the usual rate.

Item 10, Bacon and hams . . . per lb., 3d.
Request again made—That the duty be 2d.

Motion (by Sir GEORGE TURNER) proposed—

That the amendment requested be not made.

Sir WILLIAM McMILLAN (Wentworth).—As a matter of personal explanation, and in order to prevent the possibility of the slightest misunderstanding, I wish to refer to a remark which I made last evening. I then stated that I believed we had reached the stage of finality in connexion with the Tariff, and I still hold that the present should be its final stage. By that I mean that the Government, in making their proposals in regard to the Senate's requests, ought to be fully seized of that fact, and ought to realize that every concession which it is possible to make from their stand-point should now be made in the public interests. That is all that I stated, and that is still my opinion. I did not make that declaration by way of threat, or with a view of preventing any honorable member from taking future action. It was the almost unanimous desire of honorable members to dispose of the Tariff last evening, so that our proposals might be returned to the Senate. But evidently there is no chance of the schedule being dealt with without a certain amount of discussion, although I trust that no attempt will be made to prolong debate. After a certain amount of reflection, I think that upon one or two of these items it will be necessary to take divisions. I do not propose to divide the committee upon each particular item, when one division will practically settle a series of items. But I would point out that the matter which is now under discussion presents a very curious anomaly. It is one of those items which, I think, transgresses in the most cardinal manner the whole principle of our Tariff legislation. I refer particularly to bacon and hams, and butter and cheese. In the first place we have united in one item two products, the value of one of which is about double that of the other, notwithstanding which, the duty upon them is uniform. In other words, if we impose a duty of 3d. per lb. upon bacon, which costs 4d. or 5d. per lb., it practically means prohibition. Now, the only country from which we import bacon is New Zealand; and, in view of the desirability of bringing about that finality which is so necessary in connexion with this matter, I ask the Minister for

Trade and Customs to reconsider the position. While 2d. per lb. may be a very fair fixed duty upon ham, which costs 1s. per lb., or upon butter, which costs the same amount, it cannot relatively be a fair impost upon bacon and cheese, which are worth perhaps 4d. per lb. My object all through the Tariff debates—apart from my position as a free-trader—has been to make this instrument of taxation a reasonably scientific one. I wish to have a simple Tariff, and one containing as few anomalies as possible. Here, however, is a great anomaly. I will not repeat my arguments in regard to the duties upon wheat, and other foodstuffs. I think that these ought to be reduced, if they are not absolutely eliminated, and I understand that one honorable member intends to propose a reduction. If he calls for a division, upon them, I shall be very happy to be found voting with him.

Mr. KINGSTON (South Australia—Minister for Trade and Customs).—Sometimes the acting leader of the Opposition says things with which even the Government delightedly agree. We regarded with delight his observations of yesterday that the time for finality had come, and I am sorry to hear from him words which now indicate a less rigid adherence to that view. Any way, the opinion of the Government is unchanged. We believe that the time for finality has come. We have not wavered in the slightest degree. In considering what we should do in order to bring about finality—recognising that the public welfare demands the earliest possible settlement of the Tariff—we have given way in respect of certain matters in regard to which we might otherwise have felt disposed to prolong discussion. We have given way, it seems to me, quite sufficiently under the circumstances, and I think it would be presuming a little on our forbearance if matters were again pressed upon us which have been time and again debated and decided. Amongst these are the items to which the honorable member has referred. Last night he was content that they should pass. Why not to-day? Second thoughts are not always the best. Let us adhere to our resolve to settle the items in dispute with as little delay as possible, having already passed a resolution which reflects credit upon both sides of the Chamber. Let us show that, when the Government are giving way

2. Whether he is aware that not only in the eastern States, but also in Western Australia, local products are carried at a much lower rate than imported products, and that strong public protests are now being made in those States against such rates?

Sir WILLIAM LYNE.—The replies to the honorable member's questions are as follow :—

1. The great necessity for an Inter-State Commission is being demonstrated in this and other ways, and the question of reintroduction of an Inter-State Bill will receive the early attention of the Government.

2. Owing to complaints of the nature indicated by the honorable member, I entered into correspondence with the Ministers for Railways in the several States, but, finding the effect was not satisfactory, I invited the Acting Prime Minister to communicate with the Premiers of the States, and correspondence with them is now proceeding.

NEW ZEALAND POSTAGE.

Mr. CROUCH asked the Minister representing the Postmaster - General, *upon notice*—

1. Whether it is true that, with the consent of the Commonwealth Postal department, a letter can be posted in New Zealand to any part of Australia for one penny, whilst it costs twopence to post a similar letter from Australia to New Zealand?

2. What is the reason for this state of affairs, and has any, and if so what, equivalent or allowance been made to the Commonwealth by the New Zealand authorities?

Sir WILLIAM LYNE.—In reply to the honorable and learned member's questions, I desire to state—

1. Yes.

2. The reason is that it was not considered desirable to refuse to accept and deliver in the Commonwealth letters posted in New Zealand and prepaid at 1d., as no loss of revenue was involved, and as an equivalent concession was agreed to by the New Zealand authorities, who accepted a 1d. terminal rate on telegrams to and from the Commonwealth on condition that their 1d. letters should be accepted in Australia as fully prepaid.

PUBLIC SERVICE ACT.

Mr. MAHON (for Mr. KIRWAN) asked the Minister for Home Affairs, *upon notice*—

1. Whether he will state the cause of the delay in issuing the proclamation bringing into operation the Commonwealth Public Service Act which was assented to early in May last?

2. Whether the delay is occasioned by an unwillingness on the part of the Government to comply with section 25, which provides that any officer serving three years, and of the age of 21 years, shall be paid not less than £110 per annum?

3. Whether he will state when the proclamation will be issued, and also the date that will be fixed by the proclamation for bringing the Act into operation?

Sir WILLIAM LYNE.—In reply to the honorable member's questions, I desire to state—

1. The delay in proclamation of the Act is due to the difficulty experienced in arranging regulations that will, as far as practicable, provide a uniform system of dealing with the officers, in all the States at present governed by Acts and regulations that are very dissimilar and conflicting. In the various States, too, there are many officers who have not been appointed by the Governor in Council, but are performing work that in other States is done by those on the staff. The immediate proclamation of the Act might leave these officers in the position of temporary employees whose services must be dispensed with at the end of a specified period; action is now being taken to ascertain the cases where the work and qualifications of these officers would justify their permanent appointment.

2. No.

3. Until the full information (which is being collected as quickly as possible) has been obtained no date can be named for the issue of the proclamation. The Act will take effect from the date of the proclamation, but so far as the payment of the minimum salary is concerned, particulars are being obtained as to the probable sum that would be required to pay the increases as from the 1st July, 1902.

AMENDMENT OF THE CUSTOMS ACT.

Sir WILLIAM McMILLAN asked the Minister for Trade and Customs, *upon notice*—

Whether he will introduce, during this session of Parliament, a short amending Bill dealing particularly with section 234 of the Customs Act?

Mr. KINGSTON.—The answer to the honorable member's question is as follows :—

The Government are not aware of any necessity for alteration of the section referred to. But if, on full consideration of the different points recently brought before them by representative bodies, they come to a different conclusion, they will not fail to inform the House.

PAPERS.

MINISTERS laid upon the table the following papers :—

Regulations under Customs Act 1901.

Australian Foodstuffs and Horses for the use of the Admiralty and War-office—Further correspondence.

CUSTOMS TARIFF BILL.

In Committee (Consideration of requests again made by the Senate, resumed from 3rd September, *vide* page 15732):

Item 10, Bacon and hams . . . per lb., 3d.
Request again made—That the duty be 2d.

Motion (by Sir GEORGE TURNER) proposed—

That the amendment requested be not made.

Sir WILLIAM McMILLAN (Wentworth).—As a matter of personal explanation, and in order to prevent the possibility of the slightest misunderstanding, I wish to refer to a remark which I made last evening. I then stated that I believed we had reached the stage of finality in connexion with the Tariff, and I still hold that the present should be its final stage. By that I mean that the Government, in making their proposals in regard to the Senate's requests, ought to be fully seized of that fact, and ought to realize that every concession which it is possible to make from their stand-point should now be made in the public interests. That is all that I stated, and that is still my opinion. I did not make that declaration by way of threat, or with a view of preventing any honorable member from taking future action. It was the almost unanimous desire of honorable members to dispose of the Tariff last evening, so that our proposals might be returned to the Senate. But evidently there is no chance of the schedule being dealt with without a certain amount of discussion, although I trust that no attempt will be made to prolong debate. After a certain amount of reflection, I think that upon one or two of these items it will be necessary to take divisions. I do not propose to divide the committee upon each particular item, when one division will practically settle a series of items. But I would point out that the matter which is now under discussion presents a very curious anomaly. It is one of those items which, I think, transgresses in the most cardinal manner the whole principle of our Tariff legislation. I refer particularly to bacon and hams, and butter and cheese. In the first place we have united in one item two products, the value of one of which is about double that of the other, notwithstanding which, the duty upon them is uniform. In other words, if we impose a duty of 3d. per lb. upon bacon, which costs 4d. or 5d. per lb., it practically means prohibition. Now, the only country from which we import bacon is New Zealand; and, in view of the desirability of bringing about that finality which is so necessary in connexion with this matter, I ask the Minister for

Trade and Customs to reconsider the position. While 2d. per lb. may be a very fair fixed duty upon ham, which costs 1s. per lb., or upon butter, which costs the same amount, it cannot relatively be a fair impost upon bacon and cheese, which are worth perhaps 4d. per lb. My object all through the Tariff debates—apart from my position as a free-trader—has been to make this instrument of taxation a reasonably scientific one. I wish to have a simple Tariff, and one containing as few anomalies as possible. Here, however, is a great anomaly. I will not repeat my arguments in regard to the duties upon wheat, and other foodstuffs. I think that these ought to be reduced, if they are not absolutely eliminated, and I understand that one honorable member intends to propose a reduction. If he calls for a division, upon them, I shall be very happy to be found voting with him.

Mr. KINGSTON (South Australia—Minister for Trade and Customs).—Sometimes the acting leader of the Opposition says things with which even the Government delightedly agree. We regarded with delight his observations of yesterday that the time for finality had come, and I am sorry to hear from him words which now indicate a less rigid adherence to that view. Any way, the opinion of the Government is unchanged. We believe that the time for finality has come. We have not wavered in the slightest degree. In considering what we should do in order to bring about finality—recognising that the public welfare demands the earliest possible settlement of the Tariff—we have given way in respect of certain matters in regard to which we might otherwise have felt disposed to prolong discussion. We have given way, it seems to me, quite sufficiently under the circumstances, and I think it would be presuming a little on our forbearance if matters were again pressed upon us which have been time and again debated and decided. Amongst these are the items to which the honorable member has referred. Last night he was content that they should pass. Why not to-day? Second thoughts are not always the best. Let us adhere to our resolve to settle the items in dispute with as little delay as possible, having already passed a resolution which reflects credit upon both sides of the Chamber. Let us show that, when the Government are giving way

substantially for the good of the public, there is an equal inclination on the part of honorable members opposite to meet us by adopting a similar attitude.

Sir WILLIAM McMILLAN.—I did not say that we were content that these items should pass without discussion.

Mr. McCAY (Corinella).—I must confess to a feeling of surprise at the statement of the acting leader of the Opposition. Last night he said—"Speaking for this side of the House," meaning the Opposition, he believed that the time for finality had now arrived. He did not say, "should have arrived," and I am sorry that he expressed his meaning so inaccurately as to lead many honorable members to misunderstand his position.

Mr. HIGGINS.—I think he will adhere to his promise.

Mr. McCAY. — I think so, too. I merely desire to add that some of the proposals of the Government in connexion with this schedule may not meet with the approval of honorable members upon this side of the House. If necessary, divisions can be taken both against the proposed reductions, and in favour of our original decisions.

Mr. SYDNEY SMITH.—We are quite ready to meet the honorable and learned member.

Mr. McCAY.—I have not said that I will call for such divisions. I merely wish to point out that, if divisions are taken against the previous decisions of this Chamber, they can also be taken in favour of them in cases in which the Government now propose to make concessions. I must congratulate both the acting leader of the Opposition and the Minister upon the earnestness with which they expressed the hope that the stage of finality has now been reached. They remind me of the enterprising boy who turns on the bathroom tap, and then orders the water to stop running. We turned on the tap last night, and if the water stops running, it will be very creditable to the water, but not to the tap-turner. I do hope that this committee will see its way to assist in bringing about that finality which is so much desired by giving a unanimous vote upon the matters which are still in dispute.

Mr. GLYNN (South Australia). — I do not know what the Minister for Trade and Customs means by declaring that the Government are giving way. Surely he does not

imagine that any concessions made are made by the Ministry only? As I understand the position, it is the House which gives way, and not the Ministry. Last night, when the acting leader of the Opposition made reference to finality, it was merely with the view of impressing upon the Government the need which exists for acceding to the reasonable requests of the other Chamber. In this connexion I would remind the Minister for Trade and Customs that, considering that the Tariff, as framed by this House, was practically adopted by a free-trade Senate—that out of thousands of items which it contained, only 104 were remitted to this Chamber for further consideration—a little more compliance with the requests of the Senate should have been made than is evidenced by the few compromises which are now offered upon the 23 items in dispute. Upon one or two items, I intend to call for a division, and I do not think that the acting leader of the Opposition by his remarks last night meant to convey that the right of honorable members upon this side of the Chamber to express their opinions upon the adequacy or otherwise of the latest of the compromises of the Government should be at all abrogated.

Mr. ISAACS (Indi).—In the resolution which was carried last evening at the invitation of the Government, we assumed to do what seemed to me to be impossible, namely, to separate the constitutional question from the Tariff question. We dealt with the constitutional matter last night, and by a large majority the House determined that it would raise no objection to the constitutional right of the Senate—on this occasion, at all events—to send down its requests again. That having been done, and as we have now reached the practical, Tariff side of the question, it seems to me that, before this House can be asked to reverse decisions which have been arrived at in regard to the items in dispute, some practical reasons for such action should be given. Before we can be expected to alter the duties which have been imposed, it appears to me that the Ministry are bound to place facts and figures before us which will warrant us in doing what I consider would be an injustice to the producers and manufacturers of Australia. I want that information. If the Ministry were really sincere in their declaration that they intend to deal with the constitutional question

apart from the fiscal question, I ask them now to deal with the fiscal question apart from the constitutional one.

Mr. SYDNEY SMITH (Macquarie).—I think that members of the Opposition have just as much right to demand from the Government the reasons which actuated them in declining to accede to the reasonable requests of the Senate as has the honorable and learned member for Indi in cases where the Government propose to accede to them. He has, apparently, altogether misinterpreted the opinions expressed last evening by the acting leader of the Opposition. Honorable members upon this side of the chamber were not satisfied to allow these items to pass unchallenged. I have no desire to repeat all that has been previously stated in this connexion, but we feel just as strongly now as we ever did upon the necessity of acceding to many of the requested amendments. Personally I regret that more substantial requests were not made. We must all realize that most of the high duties operating were carried with the assistance of the Victorian representatives. The free-traders of the Federal Parliament represent a majority of the electors.

Mr. A. McLEAN.—They were not very anxious to meet their majority yesterday.

Mr. SYDNEY SMITH.—In what way?

Mr. A. McLEAN.—They were afraid of a dissolution.

Mr. SYDNEY SMITH.—The honorable member talks about a dissolution, but if he and the Government desire it, we are prepared to go before the people of the country to-morrow morning. We recognise that the electors are behind us.

Mr. A. McLEAN.—The free-traders had their chance, and they laid down.

Mr. SYDNEY SMITH.—The honorable member knows full well that, taking the number of votes polled for the various candidates at the federal election—

The CHAIRMAN.—The honorable member cannot discuss that question.

Mr. SYDNEY SMITH.—I am replying to a very important interjection bearing upon the question under consideration. Other honorable members have been allowed some latitude in this connexion. The honorable member for Gippsland appears to have the right to make certain comments without honorable members on this side having the opportunity to reply. The honorable and learned member for Indi referred to the

discussion on the constitutional point last night.

Mr. L. E. GROOM.—The honorable and learned member simply said that that question was then decided.

Mr. SYDNEY SMITH.—And I am referring to the decision, and endeavouring to show that we on this side are ready to take any step if it will have the effect of driving members to the country. We realize that we have a majority of the electors behind us.

The CHAIRMAN. — The honorable member is not in order in discussing that point.

Mr. SYDNEY SMITH.—I hope every other honorable member will be as strictly held to the item under discussion. If honorable members on the other side are permitted to interject, I claim the right to reply. I could put myself in order in a few minutes by taking a certain course, but that course I do not want to take on the present occasion. As to the item under discussion, the votes of the electors show that those who favour the reductions, both in this House and in the other House, represent a majority of the Commonwealth.

The CHAIRMAN. — The honorable member is certainly not in order in making those references.

Mr. SYDNEY SMITH.—I am giving reasons why the amendments suggested by the Senate should be agreed to.

The CHAIRMAN.—There is only one item before the Chair.

Mr. SYDNEY SMITH.—But it is a very important item in these times of drought and ruinously high prices. I should not have risen but for the interjections of honorable members opposite, and my only object is to enter my protest against the attitude adopted by the Government in regard to very many of the suggestions made by the Senate. I shall have no other opportunity of showing that the votes given in favour of the reductions of duties in both Houses represent the opinions of the majority of the electors.

The CHAIRMAN.—That may be done at some future time, but certainly not now.

Mr. SYDNEY SMITH.—An opportunity would be presented by my moving the Chairman out of the chair, but, as I say, I do not wish to take that course.

Sir WILLIAM LYNE.—Why is the honorable member so excited?

Mr. SYDNEY SMITH.—The Minister for Home Affairs would be excited if he realized the disaster which is following the introduction of the Tariff throughout Australia, and particularly in the constituency which I represent. I have to enter my protest against the interpretation put on the remarks of the leader of the Opposition last night. I, in common with others, desire to bring this debate to a conclusion; and when we have shown by our votes that we strongly object to the present attitude of the Government, we shall have done our part towards obtaining a more moderate Tariff. We have not succeeded in that respect as we should like, but we have used every constitutional power within our reach, and we cannot do more now than enter our protest.

Mr. JOSEPH COOK (Parramatta).—Being a man of peace, I rise in all seriousness to hold out the "olive branch." What has happened to strike this belligerent note in the honorable and learned member for Indi, who, along with the honorable member for Gippsland, seems all at once to desire a dissolution? My own impression is that if these honorable members thought a dissolution was imminent there would be a "flutter in the dove-cot."

The CHAIRMAN.—I must ask the honorable member not to pursue that line of discussion.

Mr. JOSEPH COOK.—It must be admitted that a very warlike note was struck just now.

The CHAIRMAN.—It is impossible for me to prevent interjections, and I can only repeat my request that they be not made.

Mr. JOSEPH COOK.—The vote of last night settled the constitutional question, at all events for the honorable and learned member for Indi, whatever the practical aspect may be to-day. There seems no disposition on the part of the Government to reach finality as between the Senate and this House. If I could make myself believe there was a serious disposition in that direction, I should not say a word; but I cannot lose sight of the fact that, in the words of the honorable and learned member for Indi last night, "actions speak louder than words." An investigation of the Tariff proposals of the Government leads to the inevitable conclusion that they do not desire peace so much as they profess to do. The Government have given way to the extent of 2½

per cent. on one item, but they are retaining duties of from 50 per cent. to 75 per cent on commodities which most nearly affect the domestic life of the people. If the Government had any real desire to meet the other House they would have shown a disposition to compromise on the item of agricultural machinery, which is of just as much importance to the people as machinery and metals. On the items on which the Government propose to concede 2½ per cent. there was only one vote difference in this House on a former occasion, when an effort was made to reduce the duty to 12½ per cent. The Government have to consider not only the division of parties in this House, but also the position of the Senate; and if the Government were as sincere as they profess, there would have been more evidence in the schedule of an effort to compromise in regard to a number of duties which in this time of trouble and distress affect the "breakfast table" of the people. This is a time above all others when duties press most heavily, and it is singular that at this final stage the Government have left out of consideration all those impositions which most affect people in time of drought. The Government have adhered to the high duties, though their first effort should be to reduce the impositions on food and clothing, and thus afford relief to the great bulk of the community.

Mr. BROWN.—Do I understand that we are to vote on the whole of the seven lines before the committee, or will they have to be taken seriatim?

The CHAIRMAN.—It was proposed last night to submit the seven items together, but I have been requested to put the requests seriatim. The request in regard to bacon and hams is now before the committee.

Mr. CONROY (Werriwa).—If we are to be guided by the direct votes of the people of Australia, the committee should consent to the reductions requested. If we add the number of votes cast for members of the Senate to the number of votes cast for members of this House—

The CHAIRMAN.—The honorable and learned member cannot discuss that point on this item.

Mr. CONROY.—I am giving reasons why this House should accept the reductions requested, one reason being that the votes of a majority of the representatives

of the people have been cast in favour of that course.

Mr. SALMON.—Is the honorable and learned member in order in referring to the debate in the other Chamber?

The CHAIRMAN.—No. Neither is the number of votes cast in the Senate relevant to the question before the Chair.

Mr. CONROY.—I am trying to show what the people think on these matters. No doubt it is convenient for those on the Ministerial side to try and burke discussion when we are trying to obtain the reduction of duties which press heavily upon the large body of people who consume bacon and ham, but I feel certain that the community as a whole is opposed to the imposition of such duties. This House has not been before the country since the Tariff was introduced. If it had been, we should have a very different Tariff before us now. Clearly a majority of the people is against the imposition of these duties, because the votes cast for the representatives in both Chambers who voted against them outnumber by 250,000 the votes cast for the representatives in both Chambers who voted for them. I understand that the Minister for Trade and Customs is compiling a list of dutiable articles which will contain many thousands of items. The Senate has practically agreed to the duties imposed on nearly all of those items, partly in deference to the wishes of this House; but the Government now refuse to compromise with them in regard to the outstanding points of difference. I agree with the honorable member for Wentworth that the Ministry, who should desire to bring about finality, are making no attempt to do so, because they are absolutely disregarding the views of the other Chamber. It is not as if the Senate had proposed that the item be made free; all they ask for is the reduction of a heavy protective, and, indeed, prohibitive rate.

Mr. FOWLER (Perth).—I intend to support the Government in regard to this and all the remaining items in the schedule. I heartily indorse all the remarks made by the acting leader of the Opposition last night, and I am sorry that I cannot follow him to-day in his attempt to modify what he said then.

Sir WILLIAM McMILLAN.—I do not desire to modify what I said last night.

Mr. FOWLER.—The impression made upon my mind was that the honorable member did want to modify the remarks he

made last night. The Tariff as it will remain when this schedule is dealt with, will not be entirely satisfactory to me; but I recognise that an honest attempt is being made to secure a settlement of the differences between the two Chambers by agreeing to a mean in regard to most of the rates proposed. We on this side must remember that the supporters of the Government are as much opposed to reductions of duty as we are to the rates as they stand. What chiefly influences my action in this matter, however, is the fact that I represent a large commercial constituency, and, knowing the difficulties and annoyances which the present position entails upon business people generally, I am anxious, above all things, to have the apparently interminable discussion of the Tariff finished. Whatever we say, and however we vote, the position will not be materially changed. For that reason I do not feel justified in making political capital out of a situation which, although to some extent unsatisfactory to me personally, is, I believe, one which under the circumstances must be acquiesced in.

Mr. BROWN (Canobolas).—I was surprised, and, indeed, pained to hear the remarks of the honorable member for Perth, whom I have always regarded as one well grounded in economical matters, and able to size up political moods. The action which he proposes to take, instead of expediting the settlement of the Tariff, will, in my humble opinion, retard it. We have ceased to fight here about matters of principle, and are endeavouring to ascertain what concession should be made by this Chamber in order to effect an agreement with the other Chamber. But will the honorable member, by allowing himself to be dragooned by the Government, obtain what he desires? The members of the Senate hold strong views on these matters, and are in a very different position from us, inasmuch as a majority there is in favour of a reduction of duties. The honorable member, however, proposes to assist the Government in keeping these duties as they are. I recognise that, having made a fight upon a previous occasion, and having failed, there is not much use in making a prolonged struggle now, but if divisions are called for I shall stand by the position I originally occupied.

Mr. CONROY (Werriwa).—I would remind the committee that if we insist upon

these duties, and the Senate send back another series of requests, and the Bill has to be dropped, we shall have to take the discredit attaching to the event, because the measure originated in this Chamber.

Motion agreed to.

Item 14. Butter and cheese, per lb., 3d.

Request again made.—That the duty be 2d.

Motion (by Sir GEORGE TURNER) agreed to—

That the amendment requested be not made.

Item 22. Grain and pulse, n.e.i., per cental, 1s. 6d.

Request again made.—That wheat be added to the special exemptions.

Motion (by Sir GEORGE TURNER) proposed—

That the amendment requested be not made.

Mr. BROWN (Canobolas).—I move—

That the motion be amended by the addition of the words, "but that the duty be 1s."

What I have to say in support of this amendment can be said very speedily, though, if I thought that by debating the matter at length I could further the object I have in view, I should be prepared to stand here until I dropped. Honorable members generally will admit that under ordinary conditions this duty will be inoperative. According to *Coghlan*, during the year 1899 there was exported from the Commonwealth 14,500,000 bushels of grain valued at £1,800,000. New South Wales, which is now suffering most from the imposition of this duty, imported from parts beyond the Commonwealth during the year 1901, 11,198 bushels of grain, of which 11,145 bushels came from New Zealand. During the same year, however, New South Wales exported no less than 6,114,580 bushels of grain, valued at £787,000. During that year and for some years previously, New South Wales was exporting grain, but during the current year, on account of the abnormal conditions which obtain, and which have not been equalled within the memory of white men in Australia, it will probably be necessary to largely import wheat to provide food for the people, to say nothing of that which may be necessary for stock-feeding purposes. The price of wheat generally rules at from 2s. 3d. to 2s. 9d. per bushel, but it has now reached the almost prohibitive price of 4s. 6d. per bushel. It is only in times of great scarcity when special consideration should be shown for the requirements of the people, that this duty can become operative, and, in view of

the facts I have stated, the committee might very reasonably make the concession now suggested.

Amendment negatived.

Motion agreed to.

Item 23. Grain and pulse, prepared or manufactured . . . n.e.i., per cental, 2s. 6d.

Request again made.—That the duty be reduced to 1s. 6d.

Motion (by Mr. KINGSTON) agreed to—

That the amendment requested be not made.

Item 24. Hay and chaff, per cwt. 1s.

Request again made.—That hay and chaff be added to the list of special exemptions.

Motion (by Mr. KINGSTON) proposed—

That the amendment requested be not made.

Mr. BROWN (Canobolas).—I move—

That the motion be amended by the addition of the words "but that the duty be 6d."

This would be a fair compromise between the Government proposal and the request of the Senate, and the reduced duty should be sufficient to meet all the requirements of the protectionists.

Amendment negatived.

Motion agreed to.

Item 46. Rice, n.e.i., per cental, 6s.

Request again made.—That the duty be 5s.

Motion (by Mr. KINGSTON) proposed—

That the amendment requested be not made.

Mr. CONROY (Werriwa).—It was demonstrated in this Chamber on a former occasion that the result of maintaining the duty as proposed by the Government, would be to put £15,000 into the pockets of one particular firm. In spite of this, the Minister for Trade and Customs still insists upon refusing the request of the Senate, and honorable members seem inclined to support him.

Motion agreed to.

Item 58. Apparel and attire, and articles n.e.i. . . . woollen or silk . . . *ad valorem*, 25 per cent.

Request again made.—That the duty be reduced to 20 per cent.

Item 63. Hats and caps, namely, . . . felt hats . . . sewn, *ad valorem*, 30 per cent.

Request again made.—That the duty be reduced to 25 per cent.

Motion (by Mr. KINGSTON) agreed to—

That the amendments requested be not made.

Item 71. Yarns, partly or wholly of wool, *ad valorem*, 10 per cent.

Request again made.—That the duty be 5 per cent.

Motion (by Mr. KINGSTON) agreed to—

That the amendment requested be made.

Item 78, Manufactures of metal, viz., agricultural, horticultural, and viticultural machinery and implements, n.e.i., including shares and plough plates cut to shape, horse gears; and road-making ploughs, scoops, horse road-rollers, and machines, *ad valorem*, 15 per cent.

Request again made.—That the duty be 10 per cent.

Motion (by Mr. KINGSTON) proposed—

That the amendment requested be not made, but that the duty be 12½ per cent.

Sir WILLIAM McMILLAN (Wentworth).—This is an item in regard to which I hope the Government will see their way, not to make what I may call, with all respect, pettifogging proposals, but to generously meet the Senate. This may be described as a great national item, which affects many of the greatest industries of the country. In this new country, where we are trying to imagine that we have a population of 20,000,000 or 30,000,000, able to supply all their own requirements, we should not place an embargo upon machinery which enters, not merely into the life of our primary industries, but into all the ramifications of our manufacturing enterprises. If honorable members on both sides could induce the Government to agree to the reduction of the duty to 10 per cent. as suggested by the Senate, we should be going a long way towards smoothing over any difficulties between the two Houses. When we consider that machinery is of a bulky character, and that the import charges must be enormous, the protection afforded to the local manufacturers will be not 10 per cent., but as high as from 20 to 50 per cent. This is a question upon which we shall, perhaps, have to divide the committee. On a former occasion there was a majority of only one against our proposal to reduce the duty to 12½ per cent., and I am inclined to think that many honorable members whose pairs were recorded against the proposal would have voted with us if they had been here. However, that is a mere matter of opinion. If honorable members are anxious to save the country from a commercial crisis, and to dispel the present unrest and instability which is eating the heart out of the community, an opportunity is presented for a liberal exercise of that spirit of compromise and concession which must enter, more or less, into our relations with the other Chamber. I do believe it would create a good impression if the Government were willing to give way upon this item.

Mr. BATCHELOR (South Australia).—The honorable member for Wentworth has urged those who sit on both sides of the Chamber to press the Government to accede to the request of the Senate. But I desire to point out that in my opinion the Government, by reducing the duty from 15 to 12½ per cent., will throw over the whole manufacturing industry of Australia. Instead of this being a protective Tariff, so far as the great industries of the country are concerned, it is anything but that. It is a thing of shreds and patches, without cohesion or consistency. Relatively unimportant industries are granted a large measure of protection, whilst the great enterprises which are really worth conserving, are treated without consideration. So far as I am concerned, I entirely repudiate the idea that this Tariff is a protective one.

Mr. MAUGER.—It is a mongrel Tariff.

Mr. BATCHELOR.—The iron industry, I hold, is the most important of our national industries. It is one of the healthiest of occupations, an avocation in which men are not "cooped up," and in which there is some scope for individuality. It is the industry for the establishment of which we are most warranted in sacrificing some small temporary advantage. I intend to divide the committee against the Government proposal to reduce the duty upon all these items to 12½ per cent.

Mr. JOSEPH COOK.—Then we shall recommit the other items.

Mr. BATCHELOR.—I do not care what recommittals may be made. For my own part I should prefer to give way to the Senate upon every other item in the schedule rather than upon the division which is now under consideration. I am surprised and pained at the action of the Government in making the proposed concession.

Mr. MAUGER.—It is the fault of this committee, which gave them a majority of only one.

Mr. BATCHELOR.—But that majority was upon one item only.

Mr. MAUGER.—It was a test vote.

Mr. BATCHELOR.—Certainly it was not. The acting leader of the Opposition took all sorts of care not to call for a division upon any of the other items, knowing perfectly well that he would be in a much greater minority upon them. In my opinion, the proposed concession shows that the Government have completely lost any

backbone which they ever possessed in regard to this matter.

Mr. McCAY (Corinella).—I must confess that I was considerably surprised at the remark made last evening by the Minister for Trade and Customs, when referring to the reduction proposed in the duties under the heading of "machinery." He recalled the fact that the vote taken in this Chamber in favour of the imposition of a 15 per cent. rate was carried only by a majority of one. Apparently the Cabinet have modelled the whole of their new proposals in regard to metals and machinery upon that one division. There is no need for me to repeat what has been said by the previous speaker. Every honorable member knows perfectly well that there was a smaller majority in favour of a 15 per cent. duty upon agricultural machinery than there would have been upon any other item under the heading of "metals and machinery." Yet because the Government carried their proposal by only one vote, and because the acting leader of the Opposition and his followers—with that common sense in political warfare with which I have always credited them—carefully refrained from damaging the good impression created by the closeness of that division, they now calmly propose to reduce the duty upon articles connected with the greatest manufacturing industry in the country to 12½ per cent. I would remind honorable members opposite that months ago they unanimously agreed to the imposition of a 15 per cent. rate upon these very items. It will be remembered that the Ministry originally proposed a duty of 25 per cent. They succeeded in carrying a proposal to levy 20 per cent. But, as a result of their desire to be perfectly fair by recommitting these items, some of them were reduced to 15 per cent. In addition to that, they agreed to a reduction of the duties upon some items to 15 per cent., when, if they had possessed the necessary courage to adhere to their opinions, they could have retained them at 20 per cent. We have been told by the acting leader of the Opposition that a very favorable impression would be created elsewhere if the committee would concede the whole of the requests of the Senate upon this particular division of the Tariff. No doubt it would. That remark, however, comes from a gentleman who, from the very first moment when he spoke upon Tariff matters—even before the Maitland

speech was delivered—was looked upon as an ardent free-trader, and who has repeatedly declared that a 10 per cent. duty was a fair revenue duty. He now asks this committee to sacrifice the whole of the protection which the metal workers of Australia require, and to agree to the imposition of a purely revenue duty. Does he believe that 10 per cent. will be a protective duty? I venture to say that if the honorable member had been upon the Treasury benches during the past eighteen months, he would upon the items under the heading of "Metal and machinery" have proposed a duty of at least 10 per cent. Honorable members would have been told that though he deplored its necessity, it was purely a revenue duty, which must be imposed on account of the needs of the States. Now, however, he and his followers offer the Australian iron workers a protection of only 2½ per cent.

Sir WILLIAM McMILLAN.—How many articles upon this list did honorable members opposite exempt from duty?

Mr. McCAY.—I venture to say that irrespective of whether my fiscal views are right or wrong, I have been absolutely consistent from the beginning of the Tariff debate up till the present time. In not one single vote which I have given have I departed from protectionist principles. If the proposal to retain a 15 per cent. duty be pressed to a division, I shall vote against any reduction whatever. I confess that I am very much dissatisfied with the attitude of the Government in connexion with this matter, and I am very anxious to hear what reasons can be advanced upon practical grounds, as distinct from the constitutional question, for their action. The Government is called upon to explain to its supporters why it proposes this reduction upon grounds of fiscal policy. If the duty is to be reduced to 10 per cent., it had better be abolished altogether.

Mr. MAHON (Coolgardie).—I can see from the expression upon the countenance of the Minister for Trade and Customs that the wail from Gawler and Castlemaine has touched his soul. At the same time I would ask him to remember that the vulturous foundries of Castlemaine and Gawler are living upon a toll which is being exacted from every farmer and miner throughout Australia. When honorable members tell us that under the Government proposal

the Australian metal workers will receive a protection of only 2½ per cent., they forget that at least 2s. 6d. in the £1 is being levied upon every agricultural implement and also upon every piece of machinery which is used to extract gold from the earth. But let me remind the Government that if, as we all hope, the present is the final stage in connexion with the consideration of the Tariff, it may be necessary to go a little further to meet the views of the other Chamber. For instance, in regard to item 78, I find that the Senate decided to press its request by a majority of four. On several of the other items the representative of the Government in that Chamber neglected to call for a division, so strong was the feeling that requests should be pressed in favour of lower duties. I hope that the Government will ignore what I regard as a certain amount of bluff from honorable members opposite—a pretended dissatisfaction with the compromise which the Ministry have made. The Senate has very fairly met the demands of this House, and we ought to be satisfied with a duty of 10 per cent. upon these items.

Mr. SALMON (Laanecoorie).—I deeply regret that there should be any special pleading in this Chamber on behalf of any decision which has been arrived at elsewhere. I fear that ere long some honorable members who have indulged in that pleading will find it necessary to adopt quite a different attitude in order to preserve the privileges of this House. Personally I never cast a vote in my life which gave me more satisfaction than that which I recorded last evening, even though, according to a certain newspaper, I was associated with men who are classed as “mere nonentities.” But I would point out that the writer of that article has been a consistent supporter of the rights of the Legislative Council of Victoria for many years, and that his journal will always be found supporting the views of any Upper House as against those of the popular Chamber. I cannot understand the attitude which is adopted by some honorable members of endeavouring to place every restriction on personal explanation, or on any attempt to avert an injury which it is supposed will accrue from the action of those interested on the other side. I regret that the honorable member for Coolgardie has found it necessary to specially plead for further consideration being shown, for what he calls the expressed desires of another place.

Mr. JOSEPH COOK.—The honorable member for Coolgardie is not pleading for another place, but for the miners.

Mr. SALMON.—The honorable member for Parramatta, apparently, was not listening, or did not appreciate the full force of the remarks of the honorable member for Coolgardie, whose desire apparently is that we should accede to the demand of another place because the division there made it evident that it was the intention of the Senate to insist on their request. We announced by a division that we did not see fit to make an amendment which was suggested by the Senate, and it does not matter whether that resolution was arrived at by a majority of one vote or of twenty votes; it remains the resolution of this committee. The Government now propose to vary that resolution, but have given no reasons why such a course should be adopted. If there is to be a reversal of form some reasons ought to be given by those who are responsible for the proposal. The committee are now asked to say that they do not think fit to adopt the suggestion of another place and fix the duty at 10 per cent., but that we do think fit to modify our previous resolution. Why should the committee be asked to do that, without being afforded a single word of explanation? I feel that the desire is to secure finality; but have we any guarantee that finality will be secured? If honorable members had done what I have attempted to do since the vote of last night—that is get some idea of the feeling in another place—they would be somewhat surprised, and would not be so anxious to recede from the position previously taken up. With regard to these items, and this item in particular, honorable members are, in my opinion living in a “fool’s paradise.” Whether the duty be fixed at 10 per cent., 12½ per cent., or 15 per cent., will not matter so far as the final result is concerned.

Mr. MCCOLL.—What will the result be?

Mr. SALMON.—Further messages from another place, and we shall then stand on very much less firm ground than we should if we had not carried the resolution last night. I am not one whom the Government can accuse of desertion, seeing that I have never failed them in any division on the Tariff. I have been consistent, and have voted in accordance with the principles I advocated during my election; and these

principles I am prepared to advocate at any future election, come it soon or come it late. Some attention should be paid to the desires and opinions of those who in the past have shown that they are prepared to support the Government so long as the Government adopt the right attitude. I must say that the action of the Government on the present occasion is straining my allegiance almost to breaking point. I cannot feel justified in completely swallowing principles which I have previously advocated, and I feel that any duty less than 15 per cent. will not be protective. I do not agree with those who say that 12½ per cent. will give protection. The honorable and learned member for Corinella, in making his calculations, referred to one of the arguments of the honorable member for Wentworth, who, in speaking on the question of a Federal Tariff, expressed the opinion that revenue duties of 10 per cent. would be sufficient. But I do not accept the dictum of the honorable member for Wentworth in this regard; in fact, I am not at all certain, after having made inquiries, that 15 per cent. amounts to anything more than a revenue duty. These industries have been built up at great cost, and large sums of money have been invested in them, and yet we are asked to give them a final blow, one which will completely shatter their future. Are honorable members aware that in Victoria and South Australia workmen have been discharged since the Tariff was introduced, and the duty fixed at 15 per cent. Are honorable members aware of the enormous number of dependent industries, especially in connexion with the manufacture of agricultural implements? Foundry men, ironworkers of all descriptions, tinsmiths, and carpenters, are employed in these dependent industries at the highest rates of wages, and yet we are asked to reduce the duty during a time of depression. The Clyde Iron Works in New South Wales has not made a single harvester since the Tariff was introduced.

AN HONORABLE MEMBER.—Is that not the result of the drought?

Mr. SALMON.—Not altogether. We have been accustomed to blame the drought for everything, but it is not responsible for all that has occurred in the discharge of employes and the failure of large ironworks to keep going full time. I suppose there are six or seven such establishments in

Melbourne alone, and from one of these 70 hands have been discharged, and from others 200 hands will have to be discharged unless the duty is made 15 per cent. I therefore ask honorable members, instead of agreeing to this wretched compromise of 12½ per cent., to maintain the attitude of the committee in the past.

Mr. JOSEPH COOK.—The honorable member is stone-walling.

Mr. SALMON.—The honorable member for Parramatta is a much more effective stone-waller than I can pretend to be. I am endeavouring to protect the interests of a number of men who, in a few weeks—or it may be days—will find themselves without employment.

Mr. JOSEPH COOK.—I suppose the honorable member claims a great deal of sympathy with working men?

Mr. SALMON.—I have shown my sympathy with working men in a much more practical fashion than has the honorable member for Parramatta since he entered this Chamber. The method adopted by the honorable member is to take away from working men the means of subsistence and the power to purchase, under the cloak of giving them cheaper commodities.

Mr. KINGSTON.—The Government, in connexion with metals and machinery, have tried to get a duty of 15 per cent. We have fought for that duty, and would at this moment adopt any means to get it, unless those means involved keeping public business in the present state of disturbance for weeks or, it may be, for months. That we are not prepared to do under the circumstances.

Sir MALCOLM MCEACHARN.—Suppose the Senate reject the item after we give in?

Mr. KINGSTON.—We have a right to expect a great deal better than that at the hands of the Senate, and I unhesitatingly expect better treatment. Do honorable members think that the Government have not fought for this duty? Is there any honorable member who will bring the charge against the Government that they have not thrown their whole heart into the matter, and have not done their very best to maintain this duty? It is not for this House always to have its way, and disregard the wishes expressed elsewhere; and when we see divisions so nicely balanced as those we have had lately in connexion with items of this sort, I do

not think we are doing too much, in the crisis which exists, in giving way to the extent which we propose. I am consoled by the reflection that 15 per cent., so far as this item is concerned, is what we originally proposed, and that 15 per cent., as regards agricultural machinery, is the duty under which Victoria thrived and South Australia prospered. Under the circumstances, we are doing what we ought to do, and what will commend itself to the good sense of the House. I hope the committee will show, not only by their voices, as expressed by the honorable member for Perth, but also by their votes that they recognise we are doing the right thing, under difficult circumstances, in facing even the criticism of our friends.

Mr. BROWN (Canobolas).—I recognise that in connexion with this item, the Government are travelling along the road towards compromise, and I only regret they did not see their way to travel the same road with regard to the previous item. The line under discussion is different from the preceding lines to this extent—that from it under normal circumstances, the Government will get revenue, while the duty has a protective incidence on the industries which are established. In the other lines the production here exceeds the consumption, and under normal conditions no revenue and no advantages will be derived from duties. When we had under consideration on a former occasion the advisability of remitting the duties upon machinery, the Government were unable to command as large a majority as they were able to command in favour of the retention of duties such as those upon agricultural products, with which we have just been dealing. Several honorable members who voted for a reduction in the duties upon machinery were opposed to the reduction of duties upon agricultural products, because their constituents are benefiting by the high prices now prevailing in consequence of the shortage created by the distressful drought from which we are suffering. As the members of the Opposition would not demand divisions in regard to the former set of duties, I hope that a division will not be insisted upon in this case.

Sir LANGDON BONYTHON (South Australia).—I feel that the supporters of the Government are in an unfortunate position, although that position appears to be inevitable. I am altogether in favour of

the duty of 15 per cent., but I accept a reduction of the duty to 12½ per cent. in order to avoid a conflict between the two Chambers.

Amendment (by Mr. BATCHELOR) negatived—

That the motion be amended by the omission of the words, "but that the duty be 12½ per cent."

Motion agreed to.

Item 78. Manufactures of metals, viz.:—Engines, gas and oil, and high-speed engines and turbines, water and steam; engines; boilers, pumps, machines, and machinery n.e.i.; mining machinery, n.e.i.; electrical machinery, electrical appliances, n.e.i.; rails, fishplates, fishbolts, tie plates, switches, points, crossings, and inter-sections for railways and tramways; rolled iron or steel beams, channels, joists, girders, columns, trough and bridge iron or steel not drilled or further manufactured; shafting, cold rolled, turned, or planished; also bolts and nuts, *ad valorem*, 15 per cent.

Request again made.—That the duty be 10 per cent.

Motion (by Mr. KINGSTON) proposed—

That the amendment requested be not made, but that the duty be 12½ per cent.

Mr. MAHON (Coolgardie).—I wish to enter my final protest against the imposition of duties upon an industry which derives no benefit whatever from the Tariff. We might pass fifty Tariffs, but we could not, by so doing, increase the price of an ounce of gold. But while we cannot increase the price of the product of the miners of Western Australia and of other parts of the continent, we have imposed duties which reduce the purchasing power of their wages, and we are now placing a toll upon mining machinery which will render more costly the operations of their industry. The Minister for Trade and Customs has always been regarded by the democracy of Australia as one of their great champions, but when he goes to Western Australia, and attempts to justify this Tariff to the miners on the gold-fields there, he will find that many of those who were among his warmest admirers in the past—

Mr. KINGSTON.—There is no past about it.

Mr. MAHON.—There is a future, and the Minister will find that these men are no longer to be numbered among his admirers. I do not like the idea of dealing with all the various manufactures of metals comprised in this item *in globo*, and I had intended to move that the duty upon electrical machinery and appliances

and other machinery, which cannot be manufactured to any extent in Australia, be reduced to 10 per cent.; but, as the committee is evidently not favorable to an amendment of that kind, I shall not press it.

Motion agreed to.

Item 84. Oils. Solar oil, residual oil, naphtha, benzine, benzoline, gasoline, per gallon, $\frac{3}{4}$ d.

Request again made.—That solar oil and residual oil be added to the special exemptions.

Motion (by Mr. KINGSTON) proposed—

That the amendment requested be not made, but that the duty upon solar oil and residual oil be $\frac{3}{4}$ d.

Mr. THOMSON (North Sydney).—I recognise the uselessness of calling for a division against this motion, but I wish to again point out that the Government, in imposing a prohibitive duty upon these oils, are refusing to take advantage of a source of profit and wealth which would otherwise be available to us. They are taking their present stand apparently in the interests of the coal-mining industry, though, as a matter of fact, it would be more in the interest of that industry to admit these oils free of duty, because their use in remote districts would in a very short time lead to a larger demand for coal in the coastal districts.

Mr. WATKINS (Newcastle).—The honorable member for North Sydney says that the use of these oils will not injure the coal industry; but I regret to say that the coal miners of New South Wales are already feeling the effect of the competition of mineral oil on the Western coast of America, and as the result of the competition, many of our miners are working only three days a week.

Mr. THOMSON.—We cannot interfere with competition which is taking place outside the Commonwealth.

Mr. WATKINS.—But an effort is now being made to establish this competition within the Commonwealth. A good deal has been said about lobbying at various times, but there has been more lobbying in regard to this item, and on behalf of, possibly, the largest trust in the world, than in connexion with any other item in the Tariff. I do not object to persons placing what they consider to be the facts of any case before honorable members, but it is rather much to find that a solicitor is engaged one night in lobbying on behalf

of a protective duty, and the next night in endeavouring to secure the admission of certain articles free.

Mr. SYDNEY SMITH.—How many members did the honorable member ask not to vote at all?

Mr. WATKINS.—I did not ask any one not to vote.

Mr. SYDNEY SMITH.—I know that the honorable member did.

Mr. WATKINS.—That is absolutely incorrect, and I demand a withdrawal of the statement.

Mr. SYDNEY SMITH.—If my honorable friend objects to it I withdraw it; but I know that requests were made to honorable members not to vote, and that some of those who were in favour of the remission of the duty did not vote.

Mr. WATKINS.—The duty originally proposed was 3d. per gallon, and it has been reduced by stages to $\frac{3}{4}$ d., and a further reduction to $\frac{1}{4}$ d. is now proposed. Surely that is a sufficient compromise. The duty upon naphtha, benzine, benzoline, and gasoline is 50 per cent. higher. My fear is not that these oils will be used to provide motive power for mining and other machinery in remote parts of the country; the competition I fear is from their use on board steamers.

Mr. CONROY. — Would the honorable member agree to a duty of 10 per cent.?

Mr. WATKINS.—If we could arrive at the actual value of the oils, I might not object to an *ad valorem* duty.

Mr. HENRY WILLIS (Robertson).—This matter was pretty fully debated on the last occasion when the item was before us, and statements were made then to which the honorable member for Newcastle has not replied. It was conclusively shown that a duty of $\frac{3}{4}$ d. per gallon would be prohibitive.

Sir WILLIAM LYNE.—The duty now proposed is only 16 $\frac{1}{2}$ per cent.

Mr. HENRY WILLIS.—I think that it is at least 35 per cent., and I regret that the Government have not determined to agree to the request of the Senate to place these oils on the list of special exemptions.

Mr. CONROY (Werriwa).—I would like to supply an argument which the honorable member for Newcastle omitted to use. He forgot to tell the committee that it would be a good thing for the coal-mining industry if we offered up prayers against the shining of the sun

during the months of January and February, because, if that happened, so many more millions of tons of coal would be required to warm the earth, and a corresponding increase of employment would be given to the miners of Newcastle and other places.

Motion agreed to.

Item 87. Cement per cwt., 9d.
Request again made.—That the duty be 6d.

Motion (by Mr. KINGSTON) agreed to—

That the requested amendment be not made.

Item 136. Explosives, viz., ammunition and cartridges, n.e.i., free.

Request again made.—That the duty be 10 per cent., *ad valorem*.

Motion (by Mr. KINGSTON) proposed—

That the amendment requested be not made.

Sir MALCOLM McEACHARN (Melbourne).—If it had not been for the constitutional difficulty, I should have supported the amendment requested, because I think that an injustice has been done by the removal of ammunition and cartridges from the dutiable list. There is a duty of £5 per ton on shot, and yet cartridges which are largely made up of shot are admitted free. Thus we are imposing a duty upon the raw material, whilst we are allowing a manufactured article to be admitted free, to the great injury of those who are engaged in the manufacture of cartridges. There should be some way of overcoming this difficulty by charging a duty upon the shot that is contained in imported cartridges.

Mr. KINGSTON.—I recognise the difficulty, and will consider the terms of the Tariff. If I can properly meet the difficulty I shall do so, but at the same time I wish it to be understood that I shall honestly administer the Tariff.

Motion agreed to.

Miscellaneous, special exemption—Articles imported by and for the official use of the Governor-General or State Governors.

Request again made.—That the item be omitted from the list of special exemptions.

Motion (by Mr. KINGSTON) agreed to.

That the amendment requested be not made.

Item 38. Apparel and attire, and articles n.e.i., not containing wool or silk, partly or wholly made up *ad valorem*, 25 per cent.

Request again made.—That the duty be 20 per cent.

Motion (by Mr. KINGSTON) agreed to.

That the amendment requested be not made.

Item 68. Socks and stockings, cotton, *ad valorem*, 10 per cent.

Request again made.—That the duty be 15 per cent.

Motion (by Mr. KINGSTON) proposed—

That the amendment requested be not made, but that the duty on socks and stockings, woollen or containing wool, be 15 per cent.

Mr. TUDOR (Yarra).—I suppose that it is absolutely impossible to shake the determination of the Government with regard to this duty, but I desire to point out that whilst the manufacturers of woollen socks and stockings had a margin of protection amounting to 15 per cent. when yarns were dutiable at 10 per cent., and the made-up article at 25 per cent., they now have a margin of only 10 per cent. I believe that a great mistake was made in the Senate with respect to certain alleged interviews, which induced the Senate to request this reduction. I regret that the Government have decided to reduce the duty to 15 per cent., but, although there are many other honorable members who feel as I do, I am afraid that any attempt to resist the reduction would result in defeat. I believe that the reduction of the duty will injuriously affect not only hundreds, but probably thousands of workers. The manufacturers have to import their yarns at heavy cost for duty, freight and charges, and with a reduction such as that proposed they will be placed at a great disadvantage.

Motion agreed to.

Mr. KINGSTON.—Although I think that our previous resolution would meet the case, perhaps as a matter of safety I had better move—

That the date from which the amendments now made come into force be 4th September, 1902.

Motion agreed to.

Resolutions reported.

Mr. KINGSTON.—I move—

That the following be adopted as the report of the committee:—

The House of Representatives has amended its amendment in regard to Senate's Request No. 38. The House of Representatives has made the amendment requested by Senate's Request No. 37. The House of Representatives has, with modifications, now made the amendments requested by Senate's Requests Nos. 36, 39, 41, 42, 43, 44, 45, 46, 58, 59, and 66. The House of Representatives adheres to its modification in regard to Senate's Request No. 9. The House of Representatives has not made the amendments referred to in Senate's Requests Nos. 4, 7, 8, 14, 15, 16, 20, 25, 26, 29, 30, 67, 86, and 90. The date from which the amendments now made come into effect has been modified to 4th September, 1902, the date on which the House of Representatives agreed to the amendments.

Sir WILLIAM McMILLAN (Wentworth).—One feels a certain amount of relief now that our work is practically finished. It is not for me to say anything that would convey the impression that I am attempting to dictate to the members of the Senate, but I fervently hope that before the end of next week, the Tariff will become law. It is not our Tariff, but we must have a Tariff.

Mr. RONALD.—It is nobody's Tariff.

Sir WILLIAM McMILLAN.—We bow constitutionally to the majority of this Chamber, and I trust that within a week, the Tariff in some shape or other will become law, and that the commercial community of Australia will be at rest, for a short period, at any rate.

Mr. KINGSTON.—I heartily reciprocate the wish expressed by the acting leader of the Opposition, and trust that our highest hopes may be speedily realized. Something has been said to the effect that the Tariff in its present form is not looked upon favorably by any section of this House. That may be so. Of course, if it leans unduly to one side, we might expect it to be enthusiastically received by the favoured section, and still more bitterly opposed by the other. My own opinion is that it is fair to both sides, and I trust that, in its practical working, it will prove of benefit to the community generally.

Mr. G. B. EDWARDS (South Sydney).—I should like to ask why the provisions of Standing Order 203 have not been complied with in connexion with the preparation of the Message which is to be forwarded to the Senate. That standing order provides that reasons shall be given for disagreeing with amendments made by the other Chamber.

Mr. MCCAY.—That refers to amendments; we have been dealing with requests only.

Mr. G. B. EDWARDS.—My impression is that the standing order would extend to modifications made by us in the amendments requested by the Senate.

Mr. SPEAKER.—The answer to the honorable member's question is that Standing Order 203 has no relation whatever to the business now in hand.

Mr. CONROY (Werriwa).—As one who has, with others, on this side of the House taken very active steps to oppose the Tariff, I can only say that I shall be heartily glad when we see the last of it. It has been provocative of more bad feeling than any

measure we have had before us. It is impossible for honorable members on this side of the House who regard it as an infringement upon the rights of the great body of the people, to look upon the Tariff with pleasure. We must hate it in whatever form it may finally pass. When we see that, in many cases, only one or two individuals belonging to a particular class can hope to derive benefit from the duties imposed, we can only hate and despise the instrument by which such a result is brought about. I was rather sorry that the honorable member for Wentworth, in his anxiety to see the whole matter settled, omitted to point out how the Government, by adopting their recent attitude, have gone the wrong way about obtaining a settlement. If a settlement is arrived at, it will only be because the members of that Chamber are more regardful of the public interests than are the members of the Ministry.

Mr. ISAACS (Indi).—I have had some experience of Ministerial responsibility, and I think that it is only due to the right honorable the Minister for Trade and Customs to say that, whatever our views may have been regarding the fiscal question, or regarding the action of the Government in not adhering strongly enough to some of their proposals, or in adhering too strongly to others, we can all recognise—and so far as I am concerned, I desire to place it on record—the tremendous amount of earnestness and labour and attention devoted to the Tariff by the right honorable gentleman. I think it is due to him at the end of this great work—because it is a great work—to say that this House fully appreciates all he has done, and whether or not we agree in detail, either as parties or as individuals with certain portions of the measure, we ought to recognise that the country is indebted to a large extent to the right honorable gentleman for his enormous attention and labour, and for the self-sacrifice as to time and health and energy that he has displayed. I offer these few remarks as a small tribute to a very great work by the right honorable gentleman.

Mr. MCCOLL (Echuca).—I am very glad, indeed, that the honorable and learned member for Indi has, in a few graceful remarks, complimented the Minister for Trade and Customs, because, during the afternoon, I was disposed to think that he and one or two other honorable members were a little

too severe upon him. I am delighted, therefore, with the spirit which he has just exhibited, and I join in saying that the Minister for Trade and Customs, in piloting the Tariff Bill through the House, has accomplished a titanic work. Whilst Victorian protectionists may be disappointed with the Tariff in its present form, we cannot blame the right honorable gentleman because they have not succeeded in securing the duties for which they fought. He has battled for them in a way that no other man in Australia could have done. The fact that we have not obtained what we consider are fair and reasonable duties even as a compromise between protective and revenue duties, is due to the defection of Victorian members in this House and in the Senate.

Mr. MAUGER (Melbourne Ports).—I feel that I ought to say a word or two in appreciation, not only of the work of the Minister for Trade and Customs, but of his colleague, the Treasurer. I do not conceal my feelings in regard to this Tariff. I think that very many serious mistakes have been made, but recognise that, considering the many great difficulties which the Ministers in charge of the measure have had to face, they have accomplished a great work, which will be appreciated by Australia in years to come.

Mr. SYDNEY SMITH (Macquarie).—In view of the compliments which have been paid to the Minister for Trade and Customs and the Treasurer, I feel bound to say that whilst we have had a big fight over the Tariff, members upon this side of the Chamber have always received the utmost courtesy at their hands. At the same time I do not think that the people of the Commonwealth will thank the Government for having levied such high taxation upon them. At this stage, however, I realize that it is impossible to secure more concessions from the Government than we have already obtained. At present we realize that we are in a minority. At the same time it is our duty to endeavour as far as possible to place the full facts of the case before the electors, so that at no distant date we may be able to prove conclusively that there is a strong majority in favour of an alteration of the present iniquitous Tariff. Honorable members opposite must realize that whilst they have a majority in this House, the free-trade members of this Parliament polled more votes at

the recent elections than did the protectionist members.

Mr. SPEAKER.—Upon this motion I have raised no objection to references of a complimentary nature from either side of the House, but I cannot permit a general discussion upon the question whether a majority of the electors are of one fiscal belief or the other. I therefore ask the honorable member to confine his remarks to the question under consideration.

Mr. SYDNEY SMITH.—But you, sir, permitted honorable members opposite to make complimentary remarks regarding the two Ministers who have had charge of the Tariff Bill. I am merely endeavouring to show that there are other people who are not anxious that compliments of such a character should be paid in connexion with the passing of this iniquitous Tariff.

Mr. SPEAKER.—Upon this question I cannot allow a general discussion as to whether the Tariff is iniquitous or otherwise. Indeed, a reference to it by that title, seeing that it has practically been passed by this House, is one which ought not to be made.

Mr. SYDNEY SMITH.—I merely wish to record my protest against the high duties which have been imposed. The free-trade party have been successful in securing the remission of taxation aggregating £1,250,000. We only regret that we cannot secure still further reductions. However, we have done our best in a constitutional way, and now that the struggle is at an end, I hope that that kindly feeling which has hitherto characterized our relations with each other will continue.

Mr. FOWLER (Perth).—I shall try to speak of the work of the Minister for Trade and Customs, apart altogether from the particular fiscal views which we entertain. I have had frequent occasion to observe that the work of the right honorable gentleman has been of a stupendous nature. It has not been confined to this House, because it must be recollected that he has to administer a very large and exceedingly important department. In his capacity as the head of that department, I have frequently had occasion to come into contact with him, and I willingly bear testimony to his uniform courtesy, his anxiety to give every possible facility for the smoothing over of difficulties, and for bringing about that uniformity which we all desire, and which I believe under his supervision will be speedily attained.

Mr. BROWN (Canobolas).—From the addresses which have been made, one would imagine that finality had been reached in regard to the Tariff. I am disposed to think that there may be a long row to hoe before that end is attained. I am not inclined to be congratulatory in regard to the Tariff until we are absolutely assured of finality, although I hope that we are very near to that consummation. Looking back at the debates which have taken place during the past eleven months, I think that members of the Opposition have every reason to be satisfied with the work that has been accomplished. On the other hand, honorable members opposite can congratulate themselves upon having two sturdy fighters like the Minister for Trade and Customs and the Treasurer. I believe that if they had not been so ably led we should have been successful in securing much more substantial reductions in the duties which have been levied.

Mr. F. E. McLEAN (Lang).—I think that honorable members upon this side of the Chamber can fairly join in complimenting the two Ministers who have had charge of the Tariff Bill upon the vast amount of work which they have performed. We cheerfully admit that according to their lights they have acted from a high sense of public duty. At the same time, I think that a word of praise is due in another direction. The members of the Opposition merit some commendation for the loyal way in which they have assisted to make the Tariff more acceptable to the people of Australia than it otherwise would have been. I also think that we might fairly compliment our brother legislators in the Senate who have accomplished such excellent work by so materially assisting to modify the duties imposed, and thus to make the measure more satisfactory to all parties.

Mr. O'MALLEY (Tasmania).—I feel that though the protectionist side of the House has not secured all that it desired, the Tariff battle, from the point of view of honorable members opposite, has only just commenced. In due time it will be fought to a finish. I have the greatest respect for the Minister for Trade and Customs, having been a faithful follower of his in the South Australian Parliament for three years, and I have every reason to highly compliment him upon his work. We must all admit that, like a matchless athlete, a plumed warrior, and

a trained fighter, he has battled in this Chamber for his convictions, and with few exceptions has been a total stranger to defeat. At the same time I am delighted to thank our friends upon the Opposition benches. It has been a joyous fight, and to me it has been a source of great pleasure. There has been no acrimony, honorable members have studiously refrained from indulging in mean personalities, and we have had a jolly good time all round.

Mr. MACDONALD-PATERSON (Brisbane).—Now that a settlement has practically been arrived at in regard to the Tariff, I fear that the Postmaster-General will find that the revenue of his department will show a considerable decrease. The quantity of correspondence with which some of my friends in this House have had to deal during the past twelve months must have covered reams of note-paper. Indeed, in this connexion, I think that I have contributed a ream or two myself. Therefore, I am very glad that the final settlement of the Tariff question appears to be only a few hours distant. That settlement, however, has come just a little too soon for some of my constituents, and of those of the honorable member for Oxley. We have been requested to support the honorable member for Melbourne in his action regarding the administration of the Customs department, and we have not yet had time to expel the Minister for Trade and Customs from the Cabinet. Therefore we have been taken somewhat by surprise this afternoon. We were beginning to think that we should make some arrangements for the expulsion of the right honorable gentleman by preferring a formal request to that effect to some of the other members of the Cabinet. But there he sits in his place apparently more comfortable than he has been during the whole of the Tariff debate. I can plainly see that he is the best abused man in Australia to-day, by certain sections of the commercial and manufacturing community. Personally, no matter whom I please or displease by the observation, I contend that the Minister for Trades and Customs has done well to banish from the minds of his officers the idea that they are to treat with recalcitrant merchants who will not pass honest entries.

Mr. SPEAKER.—That question cannot be discussed upon this motion.

Mr. MACDONALD-PATERSON. — I bow to your ruling, sir; but I understood

that remarks of a complimentary nature were admissible.

Mr. SPEAKER.—Very much of the debate that has taken place is entirely out of order in connexion with the motion before the Chair; but so long as a desire was evidenced by honorable members simply to pay certain compliments, which may be appropriate upon such an occasion, I refrained from interfering. At the same time, I cannot permit anything beyond such remarks to escape notice. I must then call attention to the standing orders.

Mr. MACDONALD-PATERSON. — I have only to add that I hope we shall not have another Tariff for a few years, or, if we have, that I shall not be a participator in the attendant responsibility. The Tariff during its course through the House has cost me a great deal of worry and trouble, though I know that very exhausting demands have been made upon Ministers. If the Minister for Trade and Customs had not been a giant, physically and intellectually, and if he had not had much experience in administrative work as a responsible Minister of the Crown in South Australia, he would not have been able to stand the ordeal. There is not an honorable member of this House who has not been the recipient of much correspondence and many personal representations in connexion with the Tariff, and the Treasurer, and the Minister for Trade and Customs have borne much in a similar way for a long period of time. The Ministers have done their duty splendidly, and the result is a Tariff which ought to be satisfactory alike to free-traders, moderate protectionists, and full-blast protectionists.

Question resolved in the affirmative.

Resolved (on motion by Mr. DEAKIN)—

That the resolution passed by the House yesterday, prior to considering the Senate's Message No. 51, be incorporated in the Message returning the Bill to the Senate.

SPECIAL ADJOURNMENT.

Mr. DEAKIN (Ballarat — Attorney-General).—I move—

That the House, at its rising, adjourn until Wednesday next.

I learn that it is hardly possible we can expect to receive any further measures from another place before Wednesday next. I

hope that honorable members who have private motions on the paper will be ready to proceed with them, should time permit during the remainder of next week.

Question resolved in the affirmative.

House adjourned at 5.55 p.m.

Senate.

Friday, 5 September, 1902

The PRESIDENT took the chair at 10.30 a.m., and read prayers.

RETIREMENT OF MILITARY OFFICERS.

Senator Lt.-Col. NEILD asked the Vice-President of the Executive Council, *upon notice*—

1. Referring to his answers to Senator Lt.-Col. Neild on the 27th August and 3rd September, is it not a fact that the following Acts cited by the Minister as being the source of authority for the regulations of the 6th May, 1902, fixing the retiring ages for officers of the Naval and Military Forces, viz.:—The Volunteer Force Regulation Act of New South Wales 1867, the Military and Naval Forces Regulation Act of New South Wales 1871, the Defences and Discipline Acts of Victoria 1890-1891, the Naval Discipline Act of South Australia 1884, the Defences Act of South Australia 1895, and the Defence Forces Act of West Australia 1894, all require that all regulations adopted under or by the authority of the same, shall be laid before Parliament (if in session at the time of their making), within fourteen days of their adoption?

2. Was Parliament in session on the 6th May, the date upon which the said retiring ages regulations were adopted?

3. Were the said regulations laid before Parliament within the period provided by the said Acts?

4. Is it intended to comply with the said provisions of the said statutes?

Senator O'CONNOR.—The answers to honorable senator's questions are as follows:—

1. Yes.

2. Yes.

3. No.

4. The law officers advise that in all the States, except South Australia, the provision for laying regulations before Parliament is directory only, and an omission to do this would not affect the validity of the regulations. With regard to South Australia, the Defences Act 1895 of that State provides that no regulation shall be gazetted until laid before both Houses of Parliament for at least 30 days, and action is being taken which will make the course valid in this respect.

ELECTORAL BILL.

In Committee (Consideration of House of Representatives' amendments resumed from 4th September, *vide* page 15780):

Clause 182 (Licensed premises not to be used for election purposes).

Upon which Senator Drake had moved—

That the committee agree to the House of Representatives' amendment omitting the clause.

Senator DRAKE (Queensland — Postmaster-General).—In consequence of the discussion which took place last evening, I propose to ask that the committee disagree with the amendment, but amend the clause so that it will read as follows:—

No part of any premises—

(a) on which the sale by retail of any intoxicating liquor is authorized by a licence; or

(b) where any intoxicating liquor is sold or is supplied to members of a club, society, or association,

shall be used as a committee room for the purpose of promoting or procuring the election of a candidate, and every person who hires or uses any such premises or any part thereof for such purposes, and every person who knowingly lets or allows the same to be used for that purpose, shall be guilty of an illegal practice. Provided that nothing in this section shall apply to any part of such premises which is ordinarily let for the purpose of chambers, or offices, or the holding of public meetings, if such part has a separate entrance, and no direct communication with any part of the premises on which any intoxicating liquor is sold or supplied as aforesaid.

I desire to bring the clause into line with the provision in the Queensland Act. The proviso is intended to meet a case, and they are very frequent in some parts of Australia, where a licensee has erected a hall for public purposes alongside, probably on the same plot of ground, but not connected in any way with, the hotel. It is conceived that there could be no greater objection to a building of that kind being used than there would be to the use of a building which was next door to a hotel, so long as there was no direct communication between the hotel and the room.

Motion negatived.

Motion (by Senator DRAKE) proposed—

That the clause be amended by the omission of the words "wholesale or."

Senator CLEMONS (Tasmania). — It seems to me that this proposal will suit neither parties in the committee, owing to the use of the words "as a committee room." The arguments which were directed against the original

clause, were that it would be distinctly inconvenient to many candidates, because in small country villages it is not possible to obtain a hall or place of meeting which is not attached in some way to a hotel. The question in their minds always was the necessity to hold meetings. It is now proposed that these premises, or any part of them, shall not be used as a committee room, leaving it perfectly open to a candidate to use any part of a hotel for the purpose of holding a public meeting and addressing the electors. I indorse that part of the proposal, because it meets my view very fairly. But to the second part of the proposal I take strong exception. I believe that in innumerable cases the hotel is not disconnected with that part of the building which would be of service and use to a candidate by means of a separate entrance or exit. The modification which Senator Drake proposes to insert meets the case of paragraph (a), but is utterly irrelevant to the case of paragraph (b). Who can conceive that any part of the premises used by a club, society, or association is detached from the hotel? I know hundreds of cases in which they are not detached. The proviso is simply ludicrous as applied to paragraph (b), and the effect of its insertion would be that it would be absolutely impossible to use as a committee room any part of the premises of an ordinary club, which was not, and which no one could expect to be, detached.

Senator Lt.-Col. NEILD.—Nor could a balcony be used for the purpose of addressing a meeting in the street.

Senator CLEMONS.—No. While with regard to those buildings which are attached to hotels there may be a separate entrance or exit, in some cases it is absolutely impossible to find a separate exit or entrance in connexion with the premises of a club. I submit that the proposal is bad in two directions—bad in so far as it does not meet the objection of those who do not wish licensed premises to be used, inasmuch as the limitation is solely in regard to committee rooms, and bad so far as paragraph (b) is concerned, because it absolutely bars any part of the premises of a club, society, or association from being used at all.

Senator STEWART (Queensland).—It seems to be very difficult to frame a clause which will meet the views of all parties. Senator Clemons objects to the proposal of Senator Drake, principally because it would

prohibit meetings from being held on the premises of a club.

Senator CLEMONS.—Not entirely. I think it is absurd to say that a candidate shall not use a hotel as a committee room, but may use it for any other purpose.

Senator STEWART.—The intention of the proviso is to prevent candidates from making hotels their head-quarters. I think we are all agreed on that point. If honorable senators would think of the opportunities for corruption, bribery, and all sorts of malpractices which the use of a hotel as the head-quarters of a candidate would provide, they would be very chary about allowing the use of committee rooms in hotels, or permitting meetings to be held there. If a candidate is allowed to use a hotel as his head-quarters it will mean that a committee will be sitting there during election day, and that voters will be pouring in and out.

Senator CLEMONS.—But a candidate is not obliged to have a committee.

Senator STEWART.—We know that a candidate cannot get into Parliament unless he has a committee.

Senator CLEMONS.—I know that I got in without a committee.

Senator STEWART.—The honorable and learned senator is trying to imitate the ostrich. Legally there is no necessity for a candidate to have a committee, but we know that he must have one.

Senator CLEMONS.—I had not.

Senator Lt.-Col. NEILD.—Nor did I.

Senator STEWART.—I had committees, as I believe that most other honorable senators had. We do not legislate for exceptions, but for the general rule, and nearly all candidates are supported by organizations of some kind. Let us imagine the position as it would be on the day of election. You have your committee sitting in a hotel. You have electors pouring in and out during the whole day. The large majority of the men who went into the committee room would expect to be treated, and would be treated there. If one candidate did this, the others would also be expected to do it. Those who refrained would be called mean, and would probably lose a large number of votes; so that the election would not turn upon the important issues before the people at the time, but upon the meanness or lavishness of the respective candidates. If committee meetings are

permitted to be held in hotels, hotel-keepers all over the country will be angling to have committee rooms on their premises, so as to gather business to themselves. We ought to do everything in our power to prevent the use of strong drink at election time. I was under the impression that the tendency of public opinion was in the direction of shutting up public-houses altogether on election days, instead of throwing them wide open, as apparently is now proposed by another place. Senator Clemons says that it would be very hard if he could not hold election meetings in a club. Imagine a town large enough to make it worth the honorable and learned senator's while to address a meeting there, which had no place where a public meeting could be held. It is preposterous to suggest such a state of affairs, which, so far as my observation goes, does not exist in Australia. What virtue is there in addressing meetings from the balconies of hotels? During my election campaigns I have always kept as far away from hotels as possible—for economical reasons, as well as others. If you talk to a crowd from the balcony of a hotel, at the end of the address the speaker is thirsty and the crowd is thirsty. They all gravitate to the bar, and refresh themselves at the candidate's expense.

Senator O'CONNOR.—Principally his opponents!

Senator STEWART.—That is the worst of it. In the interests of economy, as well as of the purity of elections, we ought to keep as far away from public-houses as possible during election times. I have been in a great many portions of the back country of Queensland, but have never found a place where I could not get accommodation to address a meeting. I have addressed meetings in private houses, in sheds, and in the open air. We were not allowed to use hotels in Queensland, and a very good thing it was, as I have found on many occasions. I trust that some clause will be passed to prevent the use of hotels for election purposes. I consider that it would be a dreadful evil if the door were thrown open to their wholesale use at such times.

Senator DOBSON (Tasmania).—I think that my honorable friend, Senator Stewart, is perfectly right in saying that the whole trend of public opinion, and of the thought and act of Legislatures, is in the direction of divorcing the use of hotels from elections.

But there is one thing that I do not quite understand. Under the section of the Queensland Act, which is similar to the clause before the committee, it is only the holding of committee meetings in hotels that is prohibited. There is nothing in the clause before us, nor in the Queensland Act, which I have read, to prohibit any candidate from addressing a meeting in the bar of a hotel.

Senator EWING. — How does Senator Dobson define a committee meeting?

Senator DOBSON. — I define it as a meeting called by the agent of the candidate. Most of us have committees, consisting of 10, 20, or 30 people.

Senator EWING. — Any meeting of people which had for its object the return of the candidate might be regarded as a committee meeting.

Senator DOBSON. — The clause as it stands will hardly do. I trust that we shall stick to the clause as it stood originally, with a proviso to the effect that a candidate may employ a hotel room for an election meeting, if it is not absolutely connected with the hotel and has a private entrance. I should have no objection to that, although I think that it would be a mistake to go even so far. Honorable senators have spoken of the difficulty of finding accommodation. That difficulty appears to me to exist solely in their imagination. I cannot understand any man going to a place where there is a sufficient number of electors worth addressing at which there is no school or cottage or place where a meeting can be held. I do not believe that any person in the whole Commonwealth would find the slightest difficulty in addressing the electors or meeting them for business purposes, even if we drew the clause as strictly as it could be framed for the purpose of divorcing hotels from elections. We absolutely make the giving of a glass of beer to an elector with the object of influencing his vote a criminal offence, yet we propose to permit the use of hotels for election purposes, although we know that the sole object of the licensed victualler is to sell drink.

Senator CLEMONS. — I am afraid that Senator Dobson does his election business at the street corners. Some of us want to have rooms.

Senator DOBSON. — Senator Clemons lays down the law as though he knew a good deal about conducting elections, but

he has had only one contested election in his life. Therefore, we can hardly accept him as an authority.

Senator BARRETT (Victoria). — I intend to support the proposal of the Government. If a more stringent clause can be framed to prevent the holding of election meetings in hotels, it will find in me a warm supporter. It is all very well to say that there is no danger in holding meetings in hotels, but every one of us knows otherwise. Every one knows that beer plays a very important part in elections. Elections have sometimes been won and lost according to whether candidates were prepared to adopt tactics of that description.

Senator FRASER. — The beer and the Bible!

Senator BARRETT. — On several occasions I have noticed the evil influence of hotels in connexion with elections. I have contested five Parliamentary elections in my life, and perhaps I shall contest more. In one constituency where I was fighting an election there was only a right-of-way between a polling-booth and an hotel. One of the candidates made use of the public-house. Electors were given a ticket with which they could go in, and, by presenting it, could get a sixpenny drink. The candidate who refused to do that sort of thing was placed at a disadvantage. I lost the election by 100 votes, but I am certain that if I had adopted the tactics of the other side, I should have won. As to the hardships which it is said would be inflicted on candidates if hotels could not be used for election meetings, I thoroughly agree with what Senator Dobson and Senator Stewart have said. If a candidate cannot hire a hall in a small township where he wishes to address a meeting, he can go out into the open air, and by getting a box, or a lorry, or something to stand on, can deliver his speech. This is one of those matters about which we should make a firm stand. We have limited the election expenses of candidates, and have talked a great deal about making elections purer. It seems to me that this question of the use of hotels strikes at the root of electoral purity. I should be prepared to close all hotels on election day, although I think that would be better for the whole community, and would be in the interest of honest representation.

Senator DRAKE.—I suggest that the committee should address itself to the first amendment. It is proposed to omit the words "wholesale or." By confining the debate to that amendment we shall facilitate business.

Senator GLASSEY (Queensland). — I will support no clause which permits election meetings to be held at hotels. I do not think there is a man in the Senate who has had a larger experience of election matters than myself, and I say that it is nonsense to talk of candidates being inconvenienced by not being able to address meetings from the balconies of hotels.

Senator Lt.-Col. NEILD.—Does the honorable senator climb into the fork of a gum tree?

Senator GLASSEY.—I am not prepared to address meetings from hotel balconies, and to encourage persons to drink. In the Bourke electorate, which I contested in 1894, I had to canvass a large scattered district, the length of which was about 120 miles, and the breadth about 100 miles. It consisted largely of a number of small mining townships—and miners, generally speaking, are not disinclined to frequent public-houses, and take their beer. There was only one hall in that vast electorate. I had to address meetings from balconies, waggons, and carts, and utilize other means of making my views known to the electors. I know that it is nonsense to say that a candidate cannot get on without the use of public-houses. To allow meetings to be held in such places is simply to play into the hands of wealthy and unscrupulous men. Unscrupulousness is practically the order of the day at election times, and the honest and straightforward candidate is handicapped and often beaten by surreptitious means concocted in public-houses. I have no prejudice against publicans. Some of my warmest friends are hotel-keepers, and there are many honorable publicans who would not do a mean thing under any circumstances. Although I see no objection to holding public or committee meetings in halls owned by publicans, but having no connexion with public-houses, I would prohibit candidates from addressing meetings from hotel balconies, and from speaking in rooms of public-houses as well as in some of the clubs which have been referred to by certain honorable senators. In order to purify elections, and to give men of limited means

a reasonable opportunity to contest an election on fair grounds, the further we remove election meetings from public-houses the better it will be.

Senator O'KEEFE (Tasmania).—I agree with many of the sentiments which have been expressed by the two or three honorable senators who have addressed themselves to this question. I believe that when the clause was previously before us I voted for its retention, and I am strongly in agreement with what Senator Dobson describes as the desirableness of divorcing the drink question from elections. But some honorable senators do not appear to have grasped the difficulties in the way of this amendment. Since the clause was first discussed I have come to view it in a rather different light, and I am prepared to show by experience that it would place many difficulties in the way of candidates in some parts of the Commonwealth. I would point out to Senators Glassey, Stewart, Pearce, and De Largie that they come from States where they may safely rely upon having five mild nights out of six, so that they can address meetings from a stump or a waggon if a public room is not available. In Tasmania the climate is very different, and if a candidate desires to address a meeting in a township where it is impossible to obtain a public room except at a hotel, what is he to do? Although all these difficulties are said to be imaginary, an ounce of fact is worth a ton of theory. During the Senate elections, I addressed something like twenty meetings, and I can assure the committee that in six instances I found it impossible to obtain the use of a hall or public room of any kind. On five out of those six occasions the weather was so inclement that I should not have had an audience of a dozen if I had spoken in the open air, but at each place I was able to obtain the use of a large dining room in one of the hotels. Where there is only one hall or school-room in a township, and that building is occupied by the Salvation Army or some other local body, or perhaps by another candidate, what is a man to do? Personally, I should prefer open air meetings on the score of cheapness, but when the weather is so bad that people cannot be expected to listen to a candidate speaking in the open, the only course open to him is to go to the landlord of the largest hotel and ask to be allowed to address a meeting in the largest room he has available. At Linda Valley, North

Lyell, Derby, Dundas, Mount Farrell, and Lottah, I was forced to adopt that course, and I defy any one to say that an extra sixpence was spent by me or by my agents in the hotels in which I spoke. I did not shout for any individual, although the dining rooms were filled.

Senator PEARCE.—Were those dining rooms ordinarily used for public meetings?

Senator O'KEEFE.—Yes.

Senator PEARCE.—Then this clause would not affect them.

Senator O'KEEFE.—I think it would. At each of these meetings there was an attendance of about 120 or 130.

Senator PEARCE.—Were there no schools of arts?

Senator O'KEEFE.—The vision of some honorable senators does not extend beyond the confines of their own States. In order to overcome the difficulties of candidates in places where fine weather cannot be relied upon, and where a man cannot obtain the use of a schoolroom or some public hall, I wish to leave it open to them to use the largest room of a hotel, in the absence of a temperance hotel or coffee palace. I have placed my experience before the committee, because some honorable senators, including one from Tasmania, have said that these difficulties are quite imaginary. I agree that we should do all that we can to separate the drink traffic from elections. I should like to see legislation passed compelling every hotel to close on election day, and, if it were possible to include such a provision in this Bill, I should support it.

Senator PEARCE.—But rather than inconvenience himself the honorable senator would allow the drink danger to creep in.

Senator O'KEEFE.—I am afraid the honorable senator views this matter from rather a narrow stand-point. I do not think we shall advance the cause of temperance by being too bigoted. It is for the convenience, not only of the candidate, but of those who wish to hear him, that we should do something in the direction I have indicated. If the honorable senator were standing for a district where, on the average, it rains two nights out of three all the year round, and where there is no public room available save the dining room of a hotel, what would he do with this clause in operation? In many country hotels dining rooms will be found capable of holding 100 persons. I cannot see my way clear to vote

for the reinstatement of this clause, although I am anxious to do everything that I can to meet the difficulties of my honorable friends who support the amendment.

Senator Lt.-Col. NEILD (New South Wales).—I think the speech just delivered by Senator O'Keefe is eminently practical, and that it has shown us that the fair weather conditions, so largely relied upon by honorable senators from Queensland, are not reproduced in the sister State of Tasmania. The drought conditions of Queensland are not always reproduced in the State from which I come, or in Victoria, and it is most necessary, both for the convenience of candidates and electors, that in every place there should be the possibility of securing a roof to cover the heads of the speakers and their hearers. The suggestion that a candidate should travel round with a tub or a barrel as part of his personal effects, and stand upon it when addressing the electors, seems to me to be ridiculous. I should imagine, from some of the speeches we have heard on this question, that some honorable senators would even desire to prohibit the use of tubs or barrels which had held intoxicating liquor, on the ground that they might contaminate the candidate. We might go further, and insert a provision that no meeting should be held except in a water tank. If we provide that no meeting shall be held except in one particular description of building, we shall place a very heavy burden upon candidates, for the rental of that particular class of building will go up to almost prohibitive rates. If the public-houses are to be closed upon polling day, how are electors—who in some instances have to travel many miles in order to exercise the franchise—to obtain meat or drink or even feed for their horses? How can they possibly be expected to attend the various polling places for the purpose of recording their votes? I would further point out that in some of the States the public schools cannot be used for the purpose of holding political meetings. I believe that in Victoria their use for that purpose is permitted, but in New South Wales it is not, and no law which we can enact will remove the embargo which at present exists in the latter State. There are a thousand good reasons why the public schools should not be used for the holding of political meetings.

Senator STEWART.—Give us one.

Senator Lt.-Col. NEILD.—I can give several reasons if I am permitted to hear my own voice. In the first place, the holding of an electioneering meeting, even of the most placid character, would materially upset the whole paraphernalia of a school-room. Moreover, people will expectorate at meetings, and as a result the building would not be fit for use by the pupils on the following day.

Senator STEWART.—We have used them in Queensland.

Senator Lt.-Col. NEILD.—I would further point out that very often a candidate who is travelling rapidly from one town to another does not reach the place at which he is to speak till perhaps dusk. I have frequently arrived in towns even after the time advertised for my meeting. If we absolutely prohibit a candidate from holding a meeting in any place connected with licensed premises, he will have to send an advance agent before him—a sort of political John the Baptist—to make the necessary arrangements. Moreover, in the case of elections for the Senate, candidates do not have committees. I have heard it asserted that every candidate has a committee, but I do not know of one out of the 50 candidates who contested the Senate elections in New South Wales who had a committee.

Senator Sir FREDERICK SARGOOD.—I had none.

Senator FRASER.—Neither had I.

Senator Lt.-Col. NEILD.—How is it possible for a candidate to have a committee at each of 2,200 polling places in New South Wales? He cannot even have scrutineers. It is impossible to deal with States, which in some cases are larger than European empires, from the parish pump politics point of view. What is the difference between a candidate speaking from the balcony of an hotel, with the whole of his audience in front of it, and addressing a meeting from the balcony next door, with half his audience in front of it? In New South Wales, for some years past, the law against treating electors has been so strict that any candidate who would attempt to further his prospects by adopting that line of conduct would be little short of a lunatic. We all know that candidates are closely watched to see that they do not commit any breach of the Act, and therefore any man who would lay himself open to certain attack

would be a fool. I know that some of the New South Wales senators did not spend £50 upon their election. How can such a limited expenditure represent the consumption of any liquor? Under the provisions of this Bill, candidates for the Senate are limited to an expenditure of £250. How far will such an outlay permit of the realization of the extravagant views of certain honorable senators who speak of candidates "treating" the electors. Personally I am as strongly opposed to the introduction of liquor into any political contest as is the most stringent teetotaler. At the same time, I recognise that we live under conditions which make the use of hotels an absolute necessity of our daily life. The strictest teetotalers, when travelling, reside at hotels.

Senator MCGREGOR.—I knew a man who would not let his horse drink at a hotel trough.

Senator Lt.-Col. NEILD.—As Artemus Ward observed, there is a large percentage of gibbering idiots in every community; your friend was one. But we do not come here to legislate for cranks. I ask whether the hotel—especially in country towns—is not practically the only place available for the holding of election meetings?

Senator GLASSEY.—Certainly not.

Senator Lt.-Col. NEILD.—Of course in Queensland candidates make use of the public schools, but as I have already pointed out, they cannot do so in New South Wales. I agree with the necessity which exists for a candidate having a cover over his head in wet weather. The idea of clambering up a gum tree and spouting from a fork in it is simply ridiculous. Some of my honorable friends from Western Australia know perfectly well that there have been very nice little *contretemps* connected with addresses delivered by candidates from carts in the road. In some instances, the props have been taken away and the candidates have been upset—very much more upset than when the result of the polling became known. But we all know that candidates frequently have to address meetings under peculiar conditions. As a matter of fact, during the last campaign I addressed a meeting from a vehicle in the middle of the day alongside a railway refreshment room, where the train stopped for twenty minutes.

Senator PEARCE.—Then there was not much time for questions.

Senator Lt.-Col. NEILD.—There was plenty of time for questions. I was asked a great many, especially upon a subject which is dear to my honorable friend, namely, the glorious principles of free-trade. I intend to give the Government all the support in my power in connexion with this matter.

Senator STYLES (Victoria).—The last speaker seems particularly anxious that candidates, when addressing political meetings, shall be under cover, and, therefore, he advocates that the balconies of hotels should be made available to them. But he does not appear to have given much consideration to his audience, because, while the candidate is to be upon the balcony his hearers are to be left in the open. There are very few places in Australia where there is not a sufficient number of people settled to support an hotel in which there is some sort of hall available for public purposes. If a township is so small that there is no such meeting-place, very few candidates will visit it, for the simple reason that there are no votes to be canvassed. Senator Neild wishes to know why a candidate should not be allowed to address his audience from the balcony of an hotel, seeing that if he goes next door, only half his audience will attend. His observations in this connexion suggested to me an aspect of this question which has not yet been touched upon, namely, that we have recently enfranchised the women of Australia. Every woman, therefore, has a right to hear the views of candidates equally with male electors. If a candidate thinks fit to address an audience in a hotel, I apprehend that he will have very few female electors to listen to him; and that seems a very strong argument in favour of the clause. I am afraid that the clauses limiting the expenditure of candidates will have very little effect; that was the view I took originally, and it is the view I still take. We have heard a lot about the little tricks and dodges resorted to at election times in order to evade the responsibility incurred by candidates and their authorized agents in expending money for treats. I have no doubt that at the next federal election large sums will be spent in this way, and it is the duty of both Houses of Parliament to place every obstacle in the way of evasion. There is one method of expending money on behalf of a candidate to which I have heard no reference made. A candidate may have

amongst his staunch supporters some very wealthy men, and without any authority being given or any words exchanged, one of those supporters may "shout" for a whole crowd of electors. What is there in the Bill to prevent that?

Senator DRAKE.—There is clause 179.

Senator STYLES.—We cannot prevent a man spending his own money if he chooses to treat even 500 electors. I recollect on one occasion a man came to me two or three years after an election and claimed £3 which he said he had spent in treating electors on my behalf.

Senator DRAKE.—The Bill will stop that kind of thing.

Senator STYLES.—How can we stop it?

Senator Sir JOSIAH SYMON.—Did the honorable senator pay back the £3?

Senator STYLES.—A man cannot help himself under such circumstances. I told my supporter that I had not authorized him to spend the money, though I recollected his having asked me to have a drink on that occasion. I found, however, that I had to pay, not only for my own drink, but for the drinks of all who were there.

Senator Sir JOSIAH SYMON.—The honorable member, under this Bill, would be liable to be unseated if he paid such money.

Senator STYLES.—But I need not tell anybody of the payment. Having made the declaration as to the amount of my expenses, I could keep secret any subsequent payments even if they amounted to £500. What great risk would there be? I should like to know how the proposal would work out to close all the hotels on election day. I do not think that anybody would seriously propose such a hare-brained scheme.

Senator DE LARGIE.—It is impracticable.

The CHAIRMAN.—Such a proposal cannot be embodied in the Bill, and therefore it is hardly worth while discussing it.

Senator STYLES.—We are told that many candidates will be under serious disadvantages if the clause is restored to the Bill; but surely the temperance candidate is entitled to a little consideration? If a hotel be the only accommodation, I guarantee it will not be used by the average temperance candidate.

Senator O'KEEFE.—The temperance candidate can always use the dining-room or the balcony of a hotel.

Senator STYLES.—But a temperance candidate will not do so.

Senator Sir JOSIAH SYMON.—I never knew a temperance political candidate who would not.

Senator DAWSON.—But why compel a temperance candidate to use a hotel?

Senator Sir JOSIAH SYMON.—A temperance candidate will not imperil his election for a little scruple of that kind.

Senator STYLES.—At all events, we ought to offer every facility for female voters to hear the views of the respective candidates; that is their fair and moral right.

Senator FRASER.—Female voters will not like to have their bonnets spoiled by a storm.

Senator STYLES.—In 99 cases out of 100, female voters, rather than go to a hotel or to any building connected with a hotel, will run the risk of spoiling their bonnets.

Senator Sir JOSIAH SYMON (South Australia).—An extraordinary variety of arguments of the advanced moral type have been used in reference to this amendment. The fact is, we are not merely seeking to enact a grandmotherly sort of legislation, but seeking to import into an Electoral Bill the highest principles of total abstinence. I support the Government in striking out the clause, but I intend to vote against the provision which it is proposed to substitute for it. Senator Styles used some arguments which, at first sight, seemed entitled to weight. We have conferred the franchise on women, and the honorable senator suggests that if the meetings are held in a hotel, female voters are not likely to be amongst the audience. But my experience is that female voters very much prefer cover in some room, whether in a hotel or otherwise, to standing in the open, either with or without the risk of having their best Sunday bonnets spoiled by a passing shower. We shall be drawing a good deal upon fancied disabilities of the female voters if we place a ban on, perhaps, the only place in a town or locality where there is a convenient room in which the electors can be addressed.

Senator STYLES.—Did the honorable senator ever address an open-air meeting at which there were crowds of women who would not have attended at a hotel?

Senator Sir JOSIAH SYMON.—I have addressed open-air meetings at which there were a few women; and I have addressed

meetings in the large room of a hotel and never known of any increased drunkenness having resulted.

Senator STYLES.—Did women attend the meetings in the hotel?

Senator Sir JOSIAH SYMON.—Certainly. It must be remembered that these large rooms of hotels are not used for political meetings, but for meetings of all kinds. I have no objection to the room used being detached from the hotel, but there is no earthly reason for putting a ban upon a particular building simply because the landlord is licensed to sell intoxicating drink, the main purpose of the licence being the accommodation and comfort of travellers. We are apt to forget that hotels are not provided primarily for the bar trade, but for the accommodation of the travelling public; and where there is a room suitable for meetings it seems grossly unfair that a ban should be placed on the establishment and on the occupier.

Senator STYLES.—The object of the clause is not to place a ban on hotels, though that may be the effect.

Senator Sir JOSIAH SYMON.—I am not saying that the object of the clause is to place a ban, but undoubtedly that is the effect. It is said that people must not attend hotels in order to hear the views of candidates, because of the drunkenness and mischief which may result. I take great exception to the proposed amendment, because it is limited to the use of an hotel as a committee room. When the original clause was under discussion Senator Pearce moved that the limitation should be struck out, on the ground that the effect of its remaining would be to permit of committee meetings being held on licensed premises. It is now sought to re-introduce the limitation; and, therefore, the evils which have been most strongly dwelt on as likely to flow from the holding of meetings in hotels, will flow from the clause which it is now proposed to enact. When the original clause was under discussion, Senator O'Connor pointed out that if the limitation were struck out no meetings could be addressed from the balcony or in any other part of a hotel, and on a division, the voting being equal, the limitation was omitted by virtue of our constitutional provision.

Senator DRAKE.—Since then a good deal has happened. The clause has been struck out of the Bill.

Senator Sir JOSIAH SYMON.—The Postmaster-General has turned a somersault in consequence of what has happened.

Senator DRAKE.—If we cannot get the clause we want, we endeavour to get the next best.

Senator Sir JOSIAH SYMON.—I am merely pointing out that we have returned to a provision which promotes the mischief so much feared by honorable senators. I agree with the opinion expressed by Senator O'Connor, on a former occasion, that this is theoretical, and not practical, legislation. It is possible that the supporters of a candidate may spend money in treating numbers of people, but I never found any of my political friends enthusiastic enough to spend £5 on my account in that way.

Senator O'KEEFE.—Such treating cannot be prevented by the clause.

Senator Sir JOSIAH SYMON.—The fact is that to carry out the views of some honorable senators, we ought to prohibit election committees meetings in any room in the same street which contains a hotel.

Senator O'KEEFE.—Or in the same town.

Senator Sir JOSIAH SYMON.—Or we should legislate that from the time of the dissolution of Parliament until after polling day every hotel must be closed. Such a proposal would be childish and driving teetotalism to the most extreme length. I am reminded of a clergyman in one of the Midland counties of England who was a fanatic teetotaler, and who, in addressing a meeting, expressed great regret that our Lord and the apostles had done so little for the cause of temperance. There is not a man in this Senate, or in the country, who would not wish to exclude from election contests—from every thing in fact—the disastrous effects of intoxicating liquors. We should do this as far as we can, undoubtedly; but in a case where we are merely legislating according to theory, it is well for us to consider whether we shall accomplish any good practical results.

Senator DRAKE.—Senator Symon is perfectly consistent, because he objects to the clause in whatever shape it is put. The Senate in the first instance approved of a clause of the most stringent character, to which the House of Representatives objected, and we now have to consider the best course to take in order to include in the Bill some provision of a similar kind. Senator Pearce and others who think with him believe that it will be best to adopt a provision similar

to that in the Queensland Act. Those who believe that the use of licensed premises for election purposes should be restricted should concur in sending the clause back to the House of Representatives in a modified form. Senator Styles has overlooked clause 190A—a new clause, which makes it an illegal practice for any person without the authority of the candidate to spend money on his behalf.

Senator STYLES.—My point is that no one would know that an offence had been committed.

Senator Sir JOSIAH SYMON.—That might be said of almost any class of offence.

Senator DRAKE.—He would be a very bold man who undertook to spend money in a public-house on behalf of a candidate if he knew that he would render himself liable to a penalty of £50.

Senator STANFORTH SMITH.—If one of a candidate's supporters were to say to some of his friends at election time, "Come and have a drink with me," who would be able to say that he was spending his money on behalf of the candidate?

Senator DRAKE.—If an election were being held, and a friend of a candidate were to invite certain voters to have a drink with him, he would run great risk of conviction for a breach of clause 190A.

Motion agreed to.

Motion (by Senator DRAKE) agreed to—

That the clause be further amended by inserting after the word "used" the words "as a committee room," and by adding the words "provided that nothing in this section shall apply to any part of such premises which is ordinarily let for the purpose of chambers, or offices, or the holding of public meetings, if such part has a separate entrance and no direct communication with any part of the premises on which any intoxicating liquor is sold or supplied as aforesaid."

Motion (by Senator DRAKE) proposed—

That the clause, as amended, be agreed to.

Senator HIGGS (Queensland).—Senator Neild has had a good deal to say about bigotry, and the introduction of cranky provisions into this measure. But I wish to point out that when the members of the labour party have referred to the closing of public-houses at election times, they have only intended to indicate the trend of public opinion. We do not propose that public-houses shall be closed on election day. An amendment of the law in that direction at one time formed a plank in the political platform of the labour party in Queensland,

but it was concluded that it would fall far short of accomplishing its object, because it would be impossible to prevent candidates or their agents from having barrels of beer on draught in their committee rooms or tents. Honorable senators have not sufficiently recognised the fact that those who are advocating this clause have had experience of its benefits in Western Australia and Queensland, and that the opposition comes from those who represent States in which no such law has hitherto existed.

Senator FRASER (Victoria).—I have no objection to the main part of the clause, but I consider that the provision that any person who uses licensed premises for election purposes should be subject to a heavy penalty goes too far, and I do not think the clause should pass in its present form.

Question—That the clause as amended be agreed to—put. The committee divided.

Ayes ...	...	...	20
Noes ...	...	...	6
Majority	...	...	14

AYES.

Barrett, J. G.	Neild, J. C.
Best, R. W.	O'Connor, R. E.
Charleston, D. M.	Pearce, G. F.
Dawson, A.	Pulsford, E.
De Largie, H.	Sargood, Sir F. T.
Dobson, H.	Smith, M. S. C.
Drake, J. G.	Stewart, J. C.
Glassey, T.	Styles, J.
Higga, W. G.	
Macfarlane, J.	
McGregor, G.	

Teller.

Millen, E. D.

NOES.

Fraser, S.	Symon, Sir J. H.
Gould, A. J.	
O'Keefe, D. J.	
Playford, T.	

Teller.

Clemons, J. S.

Question so resolved in the affirmative.

Senator DRAKE.—The House of Representatives have inserted the following new clause to stand as 190A:—

Any person incurring or authorizing expenditure on behalf of a candidate without the written authority of the candidate or of his agent authorized in writing, shall be guilty of a contravention of this Act.

I move—

That clause 190A be amended by the omission of the word "expenditure" with a view to insert in lieu thereof the words "any electoral expense."

Motion agreed to.

Amendment, as amended, agreed to.

Clause 191. — (Liability for indirect acts.)

Motion (by Senator DRAKE) agreed to—

That the committee agree to the amendment, omitting the words "except as mentioned in the last preceding section," and inserting the words "and with his knowledge or authority."

Part XVII.—(Court of Disputed Returns.)

Senator DRAKE.—It will be remembered that one or two clauses which refer to the method of trying disputed elections were postponed. We have now come to a proposal of the other House to alter the heading of Part 17 from "Court of Disputed Returns" to "Committee of Elections and Qualifications," and it will be convenient now, I presume, to have a general discussion on the question of whether disputed returns shall be settled by a court or by an Elections and Qualifications Committee. I anticipate that there will be a very great difference of opinion, and that, as usual in similar discussions, we shall find each honorable senator leaning somewhat to the practice which has prevailed in his own State. I have noticed that in a great many cases we are rather inclined to adhere to the method in vogue in our own State. I know that many honorable senators have their own views as to which is the best system to adopt, but I submit that at this stage we should consider the desirability of deciding on some method. There is apparently a difference of opinion between the Houses, as well as a difference of opinion between individuals; and it is absolutely necessary, if we are to get the Bill passed, to decide on the plan which is to be adopted. I know that one of the arguments which are used in connexion with the ordinary Elections and Qualifications Committee is that partisanship cannot be excluded from its decisions; that whether it exists or not, there is always a suspicion that questions have been decided according to the political predilections of its members. In Queensland, after a great deal of discussion, we adopted an elections tribunal, consisting of a Judge of the Supreme Court and six assessors who were members of the House concerned. In choosing the assessors indifferently from both sides of the House, it was hoped that we should get a jury, if I may use that expression, who might be considered to be fairly impartial. In the first session, after the passing of the Act of 1887, it became the duty of the Speaker to lay his

panel of twelve assessors on the table. The law provided that from this panel each of the parties should be entitled to strike off three, which would leave six to try the petition. It was found that the Speaker had taken seven members from one side and five from the other, giving a majority of two to one side. The position taken up by the Government party—of course, the stronger party—was that in proportion to numbers seven from the Ministerial side was relatively equal to five from the Opposition. It was necessary that there should be seven members chosen from one side and five from the other in order to preserve the proportion between parties. Then—apparently it had not been noticed in the first place—each party struck off the panel the names of the three who were most likely to be opposed to its views. That left a jury consisting of four members from one side and two from the other, so that there were exactly two to one in favour of what may be regarded as the stronger side. Eventually we found that the undesirable element of partisanship was more pronounced than it had been before. It is true that the method introduced a Judge and judicial ways, but it did remove the element of partisanship. The general feeling was that from that point of view we were in no better position than we were in with the Elections and Qualifications Committee, when seven members of the House were chosen indifferently from both sides.

Senator PLAYFORD.—This argument is all in favour of sending a petition to a court.

Senator DRAKE.—Not at all. What I am showing is that, by the adoption of that election tribunal, we did not arrive at a better result than we did when we had an Elections and Qualifications Committee. The committee was constituted of seven members chosen from both sides of the House. If the first seven members who were selected by the Speaker or the President, as the case might be, were not satisfactory to the House, then his nomination could be objected to from time to time until he had nominated seven who really were the choice of the House.

Senator MILLEN.—It results in a party squabble.

Senator DRAKE.—It is impossible to exclude that. It secures to the House the control of everything which is connected with the settlement of disputed elections. I

am quite aware that some honorable senators are very strongly in favour of placing the trial of disputed elections in the hands of the Judges, while others entertain just as strong objections to the adoption of that course.

Senator STYLES.—Not one.

Senator DRAKE.—I know that it is so, and that feeling has been very strongly expressed in the other House.

Senator MILLEN.—The Minister is in favour of the petition being tried by a Judge.

Senator DRAKE.—I have not said that I am. Originally the Bill provided for a reference of election petitions to the High Court of the Commonwealth, which of course has not yet been constituted. The Senate amended its provisions so as to provide for a Court of Disputed Returns, and the other House now proposes that we shall have an Elections and Qualifications Committee, which at all events is the ancient method of settling election disputes.

Senator Major GOULD.—It is out of date now.

Senator DRAKE.—I do not know that it is out of date now; at all events it has this advantage, that it leaves the settlement of all these matters in the hands of the House which is concerned. I move—

That the committee agree to the amendment omitting, from the heading to Part XVII., the words "Court of disputed returns," and inserting the words "Committee of elections and qualifications."

Several HONORABLE SENATORS.—Divide!

Senator HIGGS (Queensland).—I am very much surprised at the anxiety of honorable senators to go to a division at once. Is that the sort of courtesy which should be extended to another representative House? Honorable senators have been talking here for months about their dignity, and yet they are prepared to go to a vote on this question without consideration or debate. If certain proposals of the Senate had been treated by the other House in the same way, honorable senators would have been up in arms at once. I do not think it is wise to encourage a feeling of that kind.

Senator DONSON.—One amendment out of 200! Cannot we divide without chattering over it?

Senator HIGGS.—This amendment involves seven printed pages of new clauses. Surely it is due to the other House that we

state the reasons which prompt us to accept their new clauses? I believe that there is such unanimity on the committee as some honorable senators do think. I give the members of the House every credit for believing that in their opinion the new clauses are in the interests of purity of elections and purity of Parliament. At the same time I think the Senate takes the right view when it proposes that election disputes should be decided by a court. Experience in the House, as well as in the States Parliaments, has shown that in the case of a disputed election the members of the House concerned are likely to be biassed, and, of course, it may be, by party interests. Decisions are decided on that very unfair basis. In Queensland we have had considerable experience of courts of disputed elections composed of Members of Parliament, and I am sure that if the Queensland Government had an opportunity of expressing an opinion, it would be in favour of the establishment of a court outside Parliament. Honorable members of another place may say that if election disputes are to be decided by the Supreme Court, the law's delay and legal quibbles will interfere with a speedy decision. But I would remind them of the case in this Bill which says that the House must decide such cases according to the merits, and as a matter of equity and common conscience, without regard to legal technicalities. Therefore, the interests of members of the House of Representatives and of the Senate will be protected by a court of disputed returns outside Parliament.

Senator DE LARGIE (Western Australia).—Although my experience of election disputes has been comparatively small, my experience as I have gained is rather in favour of having a committee than a court to settle such matters. No doubt some of us have in mind a certain disputed election in connexion with the Senate. I will not say that that case had some unpleasant aspects. But, notwithstanding that, I am convinced that it is better to settle such disputes by means of a committee. Some opinion has been made to partisanship. My opinion is that no matter how we frame a case dealing with this sort of thing we cannot get away from prejudice and partisanship. The mere fact of a man putting on a gown and wig and sitting in a court does not alter his character. I fail to see

how a piece of silk and a horsehair wig make any difference. A man who is actuated by proper motives in one instance will be just as much subject to them in the other. There is more safety in numbers than in submitting cases of this kind for settlement by one individual. We have in Senator Symon a man whose legal ability gives him as high a place in the ranks of his profession as is held by any lawyer in the Commonwealth. But even his best friends—even he himself—will admit that he is subject to prejudice at times.

Senator Sir JOSIAH SYMON.—I have no prejudices; I deny the soft impeachment.

Senator DE LARGIE.—If Senator Symon says that, there must be something inhuman—something angelic—about him, which I had not noticed.

Senator Sir JOSIAH SYMON.—Angelic, yes—but not inhuman!

Senator DE LARGIE.—I am strongly in favour of a committee as against settlement by a court in matters of this kind, where necessarily political feelings will be exercised one way or the other. There is safety in numbers when various shades of political thought are represented.

Senator PEARCE (Western Australia).

We should not be adopting a wise course if we allowed this matter to go by without discussion, because the House of Representatives should be furnished with some reasons as to why we disagree with its amendments. I think we can easily furnish those reasons. I am strongly of opinion that we ought to reject the amendments made by another place. Some of those who advocate the establishment of an Elections and Qualifications Committee do so on the ground that to remit such cases to a court involves heavy expenditure. But some such cases have been dealt with by committees of the Federal Parliament. In one of those cases—which concerned the other House—I know, as a matter of fact, that the expenses cost the individual affected £180 for one legal bill only. It is idle, in the face of such a fact, to say that a parliamentary tribunal is cheaper than a court. In regard to partiality, I admit that a committee of Parliament might be impartial if one party were in a majority, but when the parties are equally balanced, and one vote would make all the difference to one party or the other, where would the

impartiality come in? Have we sufficient confidence in parties to say that we shall be likely to get unbiased decisions from them? It is true that our Judges are to a large extent chosen from the members of political parties. But I have sufficient confidence in the bench to believe that when they leave the political arena they leave party spirit behind them. We have to choose between political partizans who are still in the political arena, and persons who, having left the political arena, are no longer responsible to any political party. I think a strong expression of opinion should go forth from the Senate on this subject. I am somewhat surprised that some of the older parliamentarians do not express their views. It is they who should lead in this matter.

Senator Sir FREDERICK SARGOOD.—We are delighted to see the honorable senator on such safe ground.

Senator PEARCE.—It is for the older parliamentarians to give reasons why we cannot agree to the amendments made by the House of Representatives upon this subject. We have to remember that by means of this Bill we are establishing a course of procedure that will affect future Parliaments of Australia. It is of such importance that there should be no doubt about our reasons for what we are doing.

Motion negatived.

Amendment omitting clause 197 disagreed with.

Amendments inserting new clauses 197A to 197T disagreed with.

Amendments omitting clauses 198 to 211 disagreed with.

Senator DRAKE.—The House of Representatives have inserted a new clause 213A relating to the payment of the allowance to each Senator under section 48 of Constitution. The clause is a useful one, and I presume that there will be no objection to it. I move—

That the committee agree to the amendment inserting new clause 213A.

Senator STEWART (Queensland).—This clause has not come under my observation previously. It seems to me that if a senator is elected in January he would not be able to draw any salary until next January. That does not appear to be very desirable.

Motion agreed to.

Amendments in forms A, B, C, D, F, I, J, K, M, N, O, P, Q, and R agreed to.

Amendment inserting new form R1 postponed.

Postponed amendments—

Clause 2 (Parts).—

Motion (by Senator DRAKE) agreed to—

That the committee agree to the amendment omitting the words "Part XI. Voters' Certificates, s.s. 120-124."

Motion (by Senator DRAKE) agreed to—

That the committee disagree to the amendment omitting the words "Court of Disputed Returns, ss. 197-211, and inserting in lieu thereof the words "Committee of Elections and Qualifications."

Amendment in clause 3 agreed to.

Amendments in clauses 117 and 118 disagreed to.

Clause 137 (Scrutineers).—

Motion (by Senator DRAKE) agreed to—

That the amendment be amended by omitting the word "compartment," and inserting in lieu thereof the words "booth or subdivision of a polling booth."

Amendment, as amended, agreed to.

Clause 146 (Ballot paper to be handed to elector).

Senator DRAKE.—I move—

That the committee agree to the amendment omitting the words "he delivers to the presiding officer a voter's certificate," and inserting in lieu thereof the words "his name is on the roll for the division, and he makes and signs a declaration as required by section 140A."

This amendment is consequential upon new clause 140A, which refers to the exercise of the franchise by blind and illiterate persons.

Senator CLEMONS (Tasmania).—I think that the Postmaster-General is under a misapprehension in regard to this matter. The provision under consideration contains no reference whatever to the exercise of the franchise by the blind. It appears to me that if we are to reconsider new clause 140A which has been omitted, we shall also have to reconsider this clause, as the two are interdependent.

Senator DRAKE.—I thank Senator Clemons for calling my attention to the fact that I was labouring under a misapprehension. I see that the clause under consideration has reference to clause 140A, which has been omitted. I, therefore, desire to withdraw the motion, with a view to further postponing the consideration of this amendment.

Motion, by leave, withdrawn.

Amendment further postponed.

Amendment to clause 158 disagreed to.
Progress reported.

SPECIAL ADJOURNMENT.

(on motion by Senator O'Connor.)

Senate at its rising adjourn until next.

Senate adjourned at 12.52 p.m.

Senate.

Tuesday, 9 September, 1902.

PRESIDENT took the chair at 2.30 and read prayers.

PAPER.

DRAKE laid on the table the paper:—

Australian Military Forces—Drill in-

FEDERAL COMMISSIONS BILL.

Assent reported.

FEDERAL CAPITAL SITES.

PULSFORD (for Senator L. T. P.) asked the Vice-President of the Council, upon notice—

intention of the Government to take, in the present session, any steps other than parliamentary excursions which were made some months since, towards the selection of the federal capital?

O'CONNOR.—Yes.

CUSTOMS TARIFF BILL.

Sir JOSIAH SYMON.—May I ask, Mr. President, in regard to the order of the day, that relating to the Customs Tariff Bill? Is it the intention of the Government to take, in the present session, any steps other than parliamentary excursions which were made some months since, towards the selection of the federal capital?

PRESIDENT.—I think that an adjournment ought to be moved. Honorable senators will see that the position is not anomalous. We are about to go into consideration of the question whether we should consider this matter to-day. The question arises from the fact that the Senate was adjourned on Thursday last day. I think that when the motion for business-paper, or some amendment

of it, has been disposed of, it will be necessary for another motion to be carried—That the Senate go into committee of the whole to consider the Message, or part of the Message. When the report of the committee on the Bill was adopted by the Senate, leave was given to the committee to sit again on receipt of a Message or on motion. We received a Message, but the committee did not sit again, and therefore I think there should be a motion.

Debate resumed from 4th September (vide page 15780), on motion by Senator O'CONNOR—

That the Message be printed, and taken into consideration on Tuesday next.

Senator Sir JOSIAH SYMON (South Australia).—The Message which is the subject of the motion which has been made presents to us a double aspect. It invites necessarily, although not in direct terms, our consideration of two matters which are not immediately connected with each other—the constitutional position and rights of the Senate, and our position in relation to certain items of the Tariff and certain requests made in regard thereto. The exordium or preamble of the Message of the House of Representatives brings under notice, in a way which it would not be proper altogether to disregard, matters affecting the constitutional position and rights of the Senate, while the body of the Message deals with the business in hand. As to the first aspect, it is one which concerns us as a Senate, and involves considerations which are not in any way party considerations. I myself, in the remarks which I propose to offer shall approach it as a senator, and from the stand-point of the constitutional position of this Chamber. The other question involved is the party question, with which we have been familiar for many weeks past.

Senator STEWART.—That is the only one we need trouble about. It is only a waste of time to discuss the other matter.

Senator Sir JOSIAH SYMON.—I differ from my honorable friend. I do not wish to introduce controversial matter which I can avoid, but I do not regard it as a waste of time, and I am sure that the majority of honorable senators will not so consider it, to take advantage of this opportunity to make our constitutional position perfectly clear as far as we understand it.

Senator STEWART.—We do not wish to usurp power which does not belong to us.

Senator Sir JOSIAH SYMON.—I think that my honorable friend will see, as I proceed, that this is a matter of great importance to us as a Senate. The position may to-day affect a matter upon which one side of the Chamber may hold strong views, and on another occasion a matter upon which another section may hold equally strong opinions, and it may one day affect the interests of particular States. Therefore, the sooner we have a clear statement as to what our constitutional position is, the better it will be for us all, it seems to me. I agree with my honorable friend to this extent, that I hold that the exordium, or preamble, to the Message is one which in itself is, perhaps, of comparatively little moment. From my own point of view, it is eminently futile; neither do I think it very wise. I think that it would have been better—and I hope that I may be forgiven for expressing the view—if the members of the House of Representatives had abstained, not from passing the resolution which has been embodied in the Message—that was a matter for themselves—but from inserting it in the Message and sending it to this Chamber. I do not believe that parliamentary history affords any example—the history of the British Parliament, the mother of Parliaments, certainly does not—of anything of this character—so important in effect—being embodied in a message sent from one House to the other. This is a preface to a message dealing with particular matters which have been under the consideration of both Houses. It asserts nothing, denies nothing, claims nothing, and repudiates nothing, but, in what has been described elsewhere as mellifluous language, intimates that the House of Representatives abstains from determining whether they have anything to assert, or to claim, or to deny. A statement of that description is really only so many words, and I agree with Senator Stewart in so regarding it. Actions speak louder than words. This exordium reminds me of a celebrated cartoon which appeared in London *Punch* many years ago, and which represented Lord John Russell as a small boy chalking up on a wall the words “No Popery,” and then running away. Polonius on one occasion asked Hamlet what he was reading, and received the reply—“Words, my lord, words, words.” If honorable senators will examine this curious

preamble, they will see that it is simply a statement that “We could and we would. We do not determine whether we have or have not any power, or any rights which are in conflict with those which you claim.” What is all the fuss about? How has the trouble arisen which is suggested by this vague form of words? The Senate has repeated certain requests for amendments, and invited the reconsideration of them by the House of Representatives. In itself that would seem to be a moderate and statesmanlike thing to do. If there were any real fear of a possible conflict between the two Chambers, surely it would be better that there should be an opportunity for reconsideration, than a rough and rude refusal of reconsideration, with the chance of precipitating a conflict. That is how the matter strikes me, viewing it from the reasonable, common-sense point of view. I do not suggest that the House of Representatives have written up “No surrender.” They have done nothing of the kind. They have not come down, because they never went up. It seems to me that it is very greatly to the credit of this Chamber that I can recall during the discussions on the Tariff here, which have been more or less heated—because differences of opinion must necessarily arise in regard to matters of this kind—no menace or threat, and no word calculated to cause irritation or friction. We have dealt with the various matters brought before us on their merits, as they appeared to the mind of each one of us, and it has never been suggested that there was a possibility of our deliberations or conclusions resulting in a conflict with the House of Representatives. The preface to which I have referred is more amusing than serious. It is really a little by-play to “save the face”—to use a common expression—of the Government, or of the House of Representatives, from what I cannot help feeling is a totally imaginary fear. Some alarm has been conjured up as to the designs, in the way of encroachment, of this House, and although my belief is that the sower-minded members of the House of Representatives entertain no notion that the Senate is transgressing its constitutional position in the slightest degree, still, to save the face of the House of Representatives in the presence of what I regard as an imaginary danger or something of the kind, this preface has been inserted in the Message. Although I hold

nion with regard to the effect or of the preface, it seems to me that to another place requires that we not contemptuously ignore it. Now me, when dealing with this motion, it what consideration we may, and consider, as hinted, rather than firmed or denied in terms by it, the and rights of the Senate in regard to tests which have been sent down, and have been considered. There is another why we should say a word or two the resolution incorporated in the , and it is this: The public mind a directed to it. Public attention n given, and must necessarily be throughout Australia to the present a. Misunderstanding has been and a good deal of mischief may by those persons who are probably by their own inflated rhetoric into g to what has just taken place as a t of renunciation on the part of the f Representatives in considering and with our requests for amendments, returning them with a Message to mber. I propose to move an amend- a order that the position, so far as concerned may be stated, without ing in any way with any expression t or uncertainty on the part of the f Representatives as to their posi- As it appears upon the notice-paper ion is this—

Message No. 59 of the House of Repres- in reference to the Senate's requests Customs Tariff Bill be printed, and taken deration on Tuesday, 9th September.

he motion be amended by the addition of "this House, affirming that the the House of Representatives, in receiv- dealing with the reiterated requests of te, is in compliance with the undoubted onal position and rights of the Senate; t this resolution be communicated by to the House of Representatives."

or HIGGS.—That means fight.

or Sir JOSIAH SYMON.—I think ly honorable friend will see, in one , that, either we are prepared to said that we acquiesce in a doubt as been thrown upon the course we rsued—

or STEWART.—Of course, we do.

or Sir JOSIAH SYMON.—Exactly. e either prepared to acquiesce in a eing thrown upon the constitutional f the Senate in repeating its requests,

or we must assert that we entertain no doubt.

Senator BEST.—It does not affect the settlement of the Tariff one way or the other.

Senator Sir JOSIAH SYMON.—I am much obliged to my honorable and learned friend. The amendment carefully avoids expressing any opinion—it would be improper for us to do so—upon the attitude of another place. It would be highly improper for us to call into question the attitude adopted by the House of Representatives. But, on the other hand, it would be equally improper for us, if we have no doubt that we acted rightly and courteously in repeating our requests to the House of Representatives, to abstain from saying so. Whatever misgivings the House of Representatives may entertain as to their rights and privileges on this question, I entertain none, and I am going to say so. If a majority of the Senate prefers to negative the amendment and to say there is a doubt, the consequence be upon their own heads, when at some future time this question is raised. I hope I shall not be here to be affected by it.

Senator KEATING.—Where is the doubt when the House of Representatives have dealt with our reiterated requests.

Senator Sir JOSIAH SYMON.—Exactly. Has my honorable and learned friend listened to the terms of my amendment?

Senator KEATING.—I have listened very carefully.

Senator Sir JOSIAH SYMON.—Does not the amendment affirm that the action of the House of Representatives—not their words, which have nothing to do with their resolution—complies with the undoubted rights of the Senate.

Senator KEATING.—Why should we make that assertion when they have complied with our rights.

Senator Sir JOSIAH SYMON.—Why should we not do so? If the honorable and learned senator does not wish to make the assertion, he is at liberty to vote against the amendment. Evidently I take quite a different view of our position from that taken by Senator Keating, and if he wishes he is quite at liberty to allow any doubt that he pleases to remain. I am going to take this opportunity, which has been afforded me by the House of Representatives, in incorporating their doubts in their Message.

Senator KEATING.—What doubt? The honorable and learned senator has told us that the resolution passed by another place is nothing but “words, words, words”—that it is their action, not their words, which we have to consider.

Senator Sir JOSIAH SYMON.—Then the honorable and learned senator can have no hesitation in assenting to what I propose as an assertion of what is not “words, words, words.”

Senator KEATING.—We do not want to take up the “words, words, words” attitude.

Senator Sir JOSIAH SYMON.—My honorable and learned friend can deal with the matter in the way which suits him best. I do not hope to convince him that it is the duty of the Senate at the initiation of its career to take care that no doubts of any description are thrown upon the power which it has exercised, and which it may have to exercise again in the future. In dealing with the motion, I wish to remove certain misapprehensions which I think are accountable for a good deal of what has happened. It seems to me that if those of my honorable friends who take a different view of the position had really examined its foundation they would have had no hesitation in coming to the conclusion that the course which has been pursued by the Senate is absolutely the true course which must be pursued according to the Constitution, and that it is the only course which can save the Senate from a position of absolute impotence in regard to financial measures. The first thing I wish to say is that, as we know, the Senate is not in the position of a Legislative Council. It is not in the position of even such a Legislative Council as we are privileged to possess in South Australia, and which typifies an advance in these matters not reached so far as I know in any of the States except Western Australia, where the Upper House was modelled to some extent, if not altogether, upon the South Australian Chamber. It must never be forgotten that the Senate owes its peculiar powers and functions to its position as being not an ordinary Upper Chamber, but an essential element in a Federal Constitution. That is the great line of demarcation between the Senate and Upper Houses as ordinarily understood. The next point which we ought to remember—and I propose to put it as shortly as I can—is that the great type and forerunner of a

Federal Senate is the Federal Senate of the United States. Its powers are great in relation to financial Bills. If the control of the purse is taken away altogether from the Senate, we might as well blot it out. I do not desire to dwell upon that point. The Senate, under the Constitution of the United States, is also a body possessing certain executive control, which gives it great power. We do not possess that executive control, but we possess what is infinitely better, infinitely higher, and infinitely stronger—we possess the direct authority of the people of this country. I am afraid that fact is either forgotten, or the effect of it is sought to be whittled away by the assertion that equal representation is not synonymous with majority rule.

Senator GLASSEY.—Oh, no! The Attorney-General emphasized that point.

Senator Sir JOSIAH SYMON.—I appreciate the honorable senator's interjections, but I would rather open a question of this kind as it presents itself to my view, because, on this branch of it, I do not regard it, from the point of view of the Senate, as controversial in any way. The constitutional status on which the Senate has been modelled being as I have said, we have the absolute strength of this Chamber resting upon the authority of the people, the Senate of the United States on the other hand being elected by the different State Conventions. On looking at the records of our Australian Conventions, one sees at once the wonderful unanimity with which all federalists agreed with what I may call the foundational—if I may coin a word—standing of the Senate. I shall turn to just one or two quotations from the speeches of the delegates in the Convention of 1891. That was the first Convention in which you, Mr. President, and other honorable senators whom I see around me had a seat, and in which the principles upon which this Constitution was to be built up, were laid down in a fashion that I think has never been challenged. Upon that occasion, Sir Samuel Griffith said—according to the official reports of the debates, page 37—

I am quite certain that the Senate will consider itself quite as good a House as the other House.

And I invite the attention of honorable senators especially to this—

I believe also, that the State Legislatures will insist upon its maintaining that position.

not abundantly true—even more than when it was uttered? Our is that of a States House for its authority, not upon the of control over the Executive, in the voice of the people who have here. In regard to that state of the Bill of 1891, and Clause 53 in the Constitution, to which I invite attention of honorable senators, are entirely identical. The Convention of 1898, great as its services were, cannot claim the creation or the credit of this provision which has been so much in debate.

Senate may at any stage return to the Representatives—

MR. GLASSEY.—“At any stage.”

MR. SIR JOSIAH SYMON.—Yes, “at any stage.” My honorable friend has a little technical idea in his head, I will refer to it in a minute, when I will disabuse him of it.

Senate may at any stage return to the Representatives any proposed law which he may not amend, requesting by Message or amendments of any items or clauses therein. And the House of Representatives, if it thinks fit, make any such amendments, with or without modification.

I say, was the same in the Bill of 1891, but there was this important difference: The Senate, as proposed in the Bill of 1891, was to be constituted under the Bill of 1891, was to be elected by the State Legislatures, whereas the Commonwealth Constitution now gives us the Senate, and as it is to be elected by the people. The senators will find that that is a very important distinction. It was always regarded as a most important distinction. It was that nothing was more vital, in regard to this as the States House, than to show by one or two very short clauses—for the protection of State and taxation Bills by the Senate. It was conceded by almost every federalist at that great Convention that it was so, because under the federal system of government upon which this House was founded, every principle of its existence would be illusory, unless, in regard to financial measures, there was some effective control. At no convention which I am aware was that position disputed by any federalist. I will

not use the term “anti-federalists,” because that has an association with it which is now regarded as more or less unpleasant; but unificationists, whilst not disputing the necessity for effective control from a certain point of view, resisted conferring that power upon the Senate. Some of my honorable friends who are now in the other branch of the Commonwealth Legislature were persistent and vehement in their opposition to the power being conferred, not from a federal point of view, but from the point of view of unificationists who desired the absolute and uncontrolled dominance in this Commonwealth of the larger States, or I will say the larger populations, as represented by the majority of the popular voice. That was the great gulf which separated not federalists but unificationists from federalists throughout the conventions. Now, let me give honorable senators one or two quotations from the speeches of some of the most prominent men in those conventions, and they will see that I am justified in saying that never until now—and then only upon a matter which it seems to me, as I have already said, common sense, to say nothing of constitutional law, should dictate the proper course to be pursued—never until now has any question been raised from the federal standpoint as to the right of this House to veto in detail—that is the correct expression,—as well as to veto in the lump. There is a far greater efficacy in the expression “veto in detail” than in the expression “amend or request amendment.” The only controversy was as to the mode in which that power should be conferred, but that there should be a power in this Senate to veto in detail, to avoid a greater evil, was never contested by any federalist uninfluenced by a desire for the dominance of the larger populations, so far as I have been able to discover. I find at page 31 of the official report of the Debates of the Convention of 1891, which is a repertory of principle, Sir Samuel Griffith in explaining that it would be impossible to have a federation in which we had a second Chamber analogous to the ordinary Legislative Councils to which we were accustomed, and speaking of their legislative subordination, is reported to have said—and nothing could be better—

The other House is a weaker, not so independent a body; it can exercise at most a power of delay to prevent undue haste in Government;

but sooner or later it has to give way. But if you recognise the principle—and I think we must if we are to get federation of the Australian colonies—that the States must also concur by a majority in every proposal, then one House cannot have that preponderating influence. There must be on all important matters a deliberate and not a coerced concurrence of the two branches of the Legislature.

At page 32, referring to a resolution which you, Mr. President, will recollect—I had not the honor of being there—giving the House of Representatives the sole power, not only of originating, but of amending, Money Bills, he says—

In respect of the concluding words of the resolution, in which you propose that the lower House should have the sole power of originating and amending all the Bills appropriating revenue, or imposing taxation, I desire to say that as at present advised it seems to me that that is quite inconsistent with the independent existence of the Senate as representing the separate States.

I say "Amen" to that proposition. If we are going to give the sole power of originating and amending such Bills to the other branch of the Commonwealth Legislature, without any possible control on the part of this Senate, our existence as a Senate is a perfect sham. I have now another quotation to make which honorable senators will find at page 160 of the report of the debates of this Convention. I quote from a speech delivered upon the resolutions that were tabled at the Convention. The speaker from whom I quote, dealing with the question whether the House of Representatives would have sufficient power, representing, as it does, the majority of the people, said—

Surely the honorable member, Mr. Munro, will recognise the majority which you will be able to command in the popular branch of the Assembly ought to be sufficient for all practical purposes.

Mr. Munro interjected—"Not if it is check-mated in the other Chamber." And the speaker went on to say—

Does the honorable delegate desire that the same way should be exercised by the large States in the Senate as is enjoyed in the Assembly?

Mr. Munro then said—"No; I only want fair play," and the speaker continued—

There must be a check, and a substantial check, and if the smaller States are only going to be offered something which is nominally a check, and which will not stand the test of time and use, it appears to me difficult to suppose that there will be any disposition on their part to enter into an alliance, by which they practically subordinate their powers and interest in every federal

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question to the decision of the majority in the National Assembly.

It was then interjected that the extra population would be a sufficient safeguard, and the speaker went on to say—

Well, it appears to me that we are either going to have a Senate worthy of the name, or that we are not. If we are to have a Senate exercising no practical control over the course of legislation, we had better have only one Chamber.

That was said by my right honorable friend, Mr. Kingston, the present Minister for Trade and Customs. He went on then specially to deal with the veto in detail, and to declare—

I do think that they should have a power which was suggested by the honorable delegate from Queensland, Sir Samuel Griffith, namely, the power of veto in detail in respect to Money Bills. I think that if that power is conceded—the power of which they are sought to be deprived by the resolutions it is our duty to consider—no very great objection could be urged to the National Assembly retaining the power of originating Money Bills, and, indeed, I do not know that I followed the argument which has been advanced by some, that it is necessary, if we give the power of amending Money Bills to the Senate, to give them also control over the Executive. But I confess that when those who opposed the strengthening of the Senate by conferring upon it the power of vetoing Money Bills in detail argues that if you conferred that power you must also give them control over the Executive, I failed to follow the argument. And dealing with another argument which has been advanced—that responsible government is incompatible with a Parliament consisting of two Chambers—one possessing the power of vetoing Money Bills—if there is anything in that argument, and I confess that I do not see any force in it—what is the result when it is followed out?

Then he goes on to show that we should be brought face to face with a difficulty with regard to responsible government, and at page 163 he is reported to have said—

My present inclination—and I think I am justified in expressing my views at this stage of the proceedings in a tentative form—is to give the Senate the right of amending all Money Bills—not of increasing the burden, but simply of exercising the power of veto in detail. My present idea is that no exception should prevail, because, of course, in Appropriation Bills, by the aids of devices of which history affords various instances, the most important questions can be raised, and any House which does not possess the power of amending or of vetoing Money Bills in detail can be subjected to disadvantages which practically render it powerless.

This is an authoritative statement, to which I shall have occasion to refer in a minute. My honorable friend Senator Dobson, who

member of the Convention of 1897-8, at Adelaide, in most appropriate terms, that there must be a Senate to take an active part in the financial operations of the Commonwealth. Can there be a Bill which more than a Tariff Bill essentially affect State interests? It is recollected that during the progress of every Tariff Bill through the Senate there are instances, some of which have been acknowledged, and others of which have been the subject of taunts, as to the effect which State interests exerted on the minds of honorable senators. Such instances there must necessarily be. We in Queensland greatly interested in the duties of sugar and sugar duties, and Tasmania interested in the duties in the opposition.

MR STYLES.—Did the honorable member say the "hop-posit"?

MR SIR JOSIAH SYMON.—And in connection to the matter which affords Mr Styles an opportunity for a most amusing pun, we had Tasmania affected by the question of hops. Then we had Australia affected, as was suggested, by the question of salt, and also, I believe, by the question of shares. We had the question of interests introduced in connexion with the Bill, or amendments of the Tariff, as to the revenues of the different States. And could there be anything of consequence to the States? I never recollected for a moment the arguments introduced to the Senate in regard to the various alterations in the Tariff affecting the revenues of the different States—underrated them, although, of course, honorable senators may have dwelt on points raised. If it were only to give even a stronger illustration of the great effect, from the States' point of view, which a Tariff may have, I only ask honorable senators to recollect that in the United States, in 1833, it was as nearly as possible a revolution, not on the grounds of free-trade doctrine, as ordinarily understood in our sense, but on the ground that it was unconstitutional to levy taxes which had a differential effect, and which aided the manufacturers of one State at the expense of the agriculturists of another State. In our admirable little compendium, Woodson's *Congressional Government*, at

page 198, there is a short paragraph, which I may be permitted to read:—

It (the Tariff question) ran suddenly to the front as a militant party question in 1833, not as if a great free-trade movement had been set afoot, which was to anticipate the mission of Cobden and Bright, but as an issue between federal taxation and the constitutional privileges of the States. The agricultural States were being, as they thought, very cruelly trodden down under the iron heel of that protectionist policy to whose enthronement they had themselves consented, and they fetched their hope of escape from the Constitution. The Federal Government unquestionably possessed, they admitted, and that by direct grant of the fundamental law, the right to impose duties on imports; but did that right carry with it the privilege of laying discriminating duties for other purposes than that of raising legitimate revenue? Could the Constitution have meant that South Carolina might be taxed to maintain the manufactures of New England?

That, to me at any rate, affords an illustration of the importance, from the States' rights point of view, of even Tariff questions; and there are other questions, so far as direct effects are concerned, which may arise in connexion with these particular Bills. Effective control must necessarily be established in the interests of federation, and for the protection of the States. And how is that control to be exercised? That we may veto the whole of a Bill is of course clear—that we may reject or disaffirm a Bill is undoubted. But that is a very unsatisfactory way, calculated to precipitate conflicts in relation to Bills of this description. What the framers of the Constitution asked themselves was—"Is there another way out?" Surely it is better that one item in 10,000 should be taken exception to, and, if the Senate feels strongly, its omission insisted on, than that the Senate, in order to give effect to a principle, should be driven to reject the whole Bill?

Senator FRASER.—Surely the greater includes the lesser?

Senator SIR JOSIAH SYMON.—It does not in the case of Legislative Councils. But where this constitutional control is given to a Federal Senate, it follows, "as the night the day," that there should be what the lawyers call a *via media*—an effective middle course. It is obvious that the Senate cannot have an effective power of refusing assent to taxation or expenditure unless it can do so in detail.

Senator SIR JOHN DOWNER.—Unless it can do so effectively.

Senator SIR JOSIAH SYMON.—My honorable friend has anticipated me—unless

the Senate can do so effectively, as well as, of course, considerably. It is effective if the Senate reject the Bill—nothing could be more effective than that—but the rejection of the Bill may mean confusion cast throughout the land. If the Senate's objection is to one item in an Appropriation Bill or in a Taxation Bill—an item to which some of the States may have a strong antipathy—why should the Senate not take exception to it and ask the other House—as the Constitution empowers and obliges us to do—to consider the objection fairly and justly? Then if not satisfied with the conclusions and reasons of the House of Representatives, why should we not be at liberty to insist on the position, which our loyalty to our constituents and to our States obliges us to take up, and declare, if necessary, that we will not have the Bill with the blemish which we consider it contains? I state the proposition with the most absolute fearlessness of contradiction, that the framers of the Constitution intended the Senate to have the power of vetoing in detail, for the very excellent reason that there was far greater danger in not giving the power than in giving it. I have quoted the views expressed at a time before the basis of the constitution of this Chamber had been absolutely decided, though no doubt my honorable friend, Mr. Kingston, anticipated that this Chamber would derive its authority from the choice of the people. Sir Samuel Griffith, on the question as to vetoing in detail, is reported at page 39, as follows:—

With regard to the imposition of taxation, I would not allow the Senate to originate taxation, but I would allow them to veto—to refuse to accept taxation.

AN HONORABLE MEMBER.—Would the honorable member allow them to do so in detail?

Sir SAMUEL GRIFFITH.—To veto in detail.

Senator Sir JOHN DOWNER.—That was the whole question right through.

Senator Sir JOSIAH SYMON.—It was the whole question. Sir Samuel Griffith continued:—

For instance, suppose the House of Representatives proposed to impose a land tax, and, I will say, an income tax, together in one Bill, why should not the Senate, representing the States, have the power of dealing with each proposal? A land tax might be in one State or in several States a most just and proper thing, while in other States it might be most unfair and improper. So with an income tax. It might be very fair, it might be easily collected, convenient, and desirable with respect to one State, while it might be absolutely impossible with respect to another.

Why should not the Senate have the power of veto? Why should not the Senate have the power of saying—"We will have the one, but not the other?"

The logical conclusion, no doubt, would be to give complete power of amendment; and, following that conclusion, the President, Sir Richard Baker, who was one of the delegates from South Australia at the Convention of 1891, proposed to put the two Houses on a footing of absolute equality. Sir Richard Baker submitted an amendment, which was subsequently changed in form, and it can be found on page 707. A long debate ensued, in which some who afterwards became members of this Chamber, took part. Everybody conceded that the power of origination should rest with the other House, the power of vetoing in detail being considered sufficient for the Senate. The Convention was not prepared to go the length of taking away from the House of Representatives the exclusive power of originating Money Bills, which is the foundation of the operation of responsible government under a Federal Constitution. Personally, I should probably have been found opposing Sir Richard Baker's amendment, but I cannot deny that it was the logical outcome of the principle to which the federalists in the Convention had assented. Sir Samuel Griffith and others opposed the amendment for reasons which are plain. Sir Samuel Griffith, never departing from the position he had taken up in regard to effective control by the Senate, said—

As to the ordinary annual Appropriation Bill, the senators have to express their wishes in a manner different from that in which they express them in regard to other Bills. The same with regard to taxation Bills.

Honorable senators will see that this is merely a difference in manner, not in substance. The request to amend is a difference in form, not in reality. If it is not a difference in reality, the difference amounts to nothing. Amendment and request are, in practice, identical. If it is merely that the Senate is to say, cap in hand—"By your leave," or "With your leave," it is no request at all. It cannot give an effective control to this Chamber in regard to Bills of this description. Further on, Sir Samuel Griffith said:—

And with these exemptions the powers of the two Houses are co-ordinate. I think it is a very reasonable compromise, and all those in this convention who really desire to see a federation

Australia brought about, might fairly accept it something like it.

Senator Downer said, at page 716, think his words will commend themselves to most honorable senators :—

If this Constitution is to be interpreted by, and the relation to Constitutions that preceded it, with those with which we are familiar, and if this power of making resolutions after all to be merely an *ad misericordiam* from the Senate to the House of Representatives, to oblige them by making this or that amendment, the Senate telling them in effect in no breath that if they do not make it, the Senate, will not insist upon it, then this is, clear as it may be in the letter, is nothing less a delusion and a sham, and will amount in no way what the words would ex-

Senator DAWSON. — A lot of legal cob-

Senator Sir JOSIAH SYMON.—I must say that I do not regard this in any sense a legal cobweb. It is something far different from that. It is no legal cobweb. The Senate should be careful of the power which it believes it possesses. If the Senate does not possess this power, let it show at the earliest possible moment. We have no doubt that we possess it, for our satisfaction, and for the information of the people of Australia, who are looking upon us as a Senate — I do not say the Tariff Bill merely, but in regard to all matters — let us say so without any reservation or any possible hesitation.

Senator BEER. — May it not come to be a question of law which the High Court may decide?

Senator Sir JOSIAH SYMON.—I think so. And here I take the opportunity of saying that I agree with some of my honorable friends in the other Chamber in thinking that the High Court cannot possibly decide this question.

Senator PEARCE.—It would place the High Court above the Parliament.

Senator Sir JOSIAH SYMON.—It is a question to be decided by the Parliament and no High Court can, in my judgment, interfere in a question of this kind between the two Houses of Parliament. Therefore, do not let us escape from justly forming and from expressing our views upon the matter, by any possibility of our being able to lift our responsibility from our own shoulders and to transfer it to the shoulders of some one else. Sir William McMillan, in another place, made a remark upon

which I must offer some comment. Here let me say that this is a question to be decided without any considerations of party whatever. There is no element of party in it in any shape or form. Of course I cannot refer to the debates in the other Chamber, but I might state that I know my honorable friend Sir William McMillan has been good enough to say — I will not say where — that the Senate has the power of making suggestions, in an altogether weaker position, according to him, than that of making amendments. I take entire exception to the view of Sir William McMillan upon the subject. He may be right, I may be wrong; but I do not regard our position as weaker, and I shall show, by one or two other quotations from the debates of the Conventions — from speeches contributed by honorable senators and by honorable members of another place — that the two powers are equally effective. My honorable friend Senator Playford, in the course of the debate from which I have previously quoted, said, on page 734 — what, I think, we shall all agree with — in recalling the position in South Australia, where we had worked under a somewhat analogous system for between 20 and 30 years —

The Upper House have the right to make suggestions, and those suggestions — taking the case as showing how the system would work if it were adopted for the Commonwealth — have been as respectfully treated and considered by the Lower House as any amendment which has ever been made in connexion with any Bill.

Senator GLASSEY.—Hear, hear; what is the difference?

Senator Sir JOSIAH SYMON.—No difference. And my right honorable friend, Mr. Kingston, in opposing the enlargement of the power sought to be given by the amendment proposed by the President of this Senate, gave in his adhesion to what we may call this compromise. On what ground? On the ground that the Convention of 1891 had decided that the Senate should be chosen by the State Parliaments, and not by the direct voice of the people. That difficulty has been removed. We have preserved the compromise, but the difficulty — or weakness — in relation to the constitution of the Senate has been removed; and we have now, Mr. President, the Senate chosen upon the very foundation which the right honorable the Minister for Trade and Customs declared at the

outset would have been sufficient to justify the direct power of amendment in detail. Are those of us who seek to exercise these powers desiring any encroachment? We are content with less power—in form, at any rate—than would have been given to us if in the first instance under the Bill of 1891 this Senate had been founded upon the choice of the people. My right honorable friend Mr. Kingston's words are so excellent on this subject that perhaps I may be permitted to read them. He said, at page 735, in alluding to the fact that he was offering a view which might appear to be somewhat inconsistent with the opinion he had previously expressed, that he would give his reasons for the vote he intended to record—

My reasons are shortly these: That the Senate as it will be constituted under the provisions of the Bill which we have before us will be entirely different from the Senate as I hoped it would have been constituted under the measure which recommended itself to the adoption of the Convention. A good deal was made during the course of the initiatory debate of the resemblance which it was supposed might exist between the Senate and the upper branches of legislature as we are generally accustomed to them; but emphasis was laid, and it appears to me most properly, on the probability that there would be little or no resemblance between the two Chambers, but that the Senate, as created by the Constitution of the Commonwealth, would be simply a body elected by the same electors voting in different constituencies.

I entirely agree with my right honorable friend that it was essential to the constitution of the Senate, and essential to its exercise of its powers, and to its claim to the great powers confided to it, that its constitution should rest upon the authority of the people—

Now I would venture to ask if this is the position under the Bill. I hold that it is not; that it is altogether different. Instead of the Senate representing the same body of electors as those who will return members to the House of Representatives, it will represent a much more limited class. We have provided that the Senate shall be chosen by the two Houses of the various local Parliaments. We have distinctly prohibited the people of the various States from the exercise of any power which they might desire to possess as regards the direct choice of their representatives in the Senate. The sense of the Convention was taken on a direct motion affecting the question, and we now find it declared as the deliberate will and purpose of the Convention that the people as a whole shall be deprived of any direct vote in the choice of senators, and that the power of election shall be confided to the two branches of the local Legislature. What does that amount to?

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My right honorable friend asked what that amounts to. And according to him it amounts to this—

That an equal voice will be recorded in all cases which are most favorable to the exercise of popular rights to a limited class, representative, not of the general body of the people, but of persons possessing a property qualification.

With that, I generally agree; and I should have been one of the last, if that system of electing this Senate had been embodied in the Constitution, to say that its powers should be enlarged in the way I now most strenuously contend we find them under the Constitution. My right honorable friend Mr. Kingston also said—

I would have been perfectly agreeable—and I have hitherto argued in favour of giving the Senate large powers in the direction of the protection and preservation of State rights and interests—if the Senate were constituted by the direct voice of the people—

So it is now—

but I am not prepared to advocate any such course when I find that, instead of a Senate of the character which would be constituted under the Constitution that we propose to adopt, we have altogether a different body—one in which there is no guarantee that the voice of the people will prevail—and that an equal vote in the decision of the election of senators is confided to sections of the community in some colonies, and in other colonies to those who may simply happen to be the nominees of the Government that is in power.

Then he says again—

I for one have no faith in a Senate that is constituted without direct election by the people—over which the people have no control, or over which the people have only the control to the most limited extent which is provided here.

During the same debate, my honorable friend the Acting Prime Minister expressed himself in a very short sentence substantially to the same effect in saying that, whilst the power of the Senate was to rest upon the choice of the States Parliaments, it would be necessary to curtail its powers. But he went on to say that, if the Senate were elected by the direct vote of the people, the demands of the people would possibly take a different direction—that is, the direction of the Senate having its powers in relation to Money Bills enlarged. What does that mean? It means that to give an effective control to this Senate over Money Bills, as well as over other Bills, was one of the cardinal principles of the Constitution, the only difficulty being as to how it was to be exercised. You, Mr. President, proposed a method which

would have left it beyond doubt, not only that we had an effective power, but that the powers of the Houses in all respects, and in every direction, were co-equal. The Convention adopted a different method. They said—"We must give an effective control, but we will give it by a system of veto in detail. As a matter of courteous concession to the forms of centuries in Houses differently constituted, existing for a different purpose, like the House of Lords and the House of Commons, in their relations to each other, we can give it in a different manner." And the manner they adopted was by analogy to that which had prevailed for many years in South Australia—the method of requesting amendments. Now, the power to request to amend is in substance, though not in form, equivalent to amendment. It was, and is still, so regarded. Sir William McMillan said in 1891—I quote again from the instructive debates of that Convention, which, I am afraid, are often overlooked—in suggesting that there ought to be direct power of amendment—

Why, you introduce a new principle here which was never heard of before.

Then he goes on to say—

As my honorable friend opposite said, the Senate will not come to the Lower House in the dignified position of a Chamber offering advice, and giving suggestions by right of its legislative power.

Mr. PLAYFORD.—They would if it were so enacted.

Mr. McMILLAN.—They would come, as has been properly said, with an *ad misericordiam* appeal, asking the other Chamber to be gracious and kind enough to take their suggestions into consideration.

Mr. PLAYFORD.—No.

What does that mean? Either it is simply a case of offering advice, or it is preferring a request which we can enforce. Later on Sir William McMillan said—

Then their amendments will go down to the Lower House, not as suggestions, but in the ordinary constitutional way. Supposing the Lower House accepts half of the amendments and rejects half of them, we can make it absolutely necessary when the Bill is returned to the Upper Chamber for that body to either accept or reject it.

Mr. PLAYFORD.—It is the same thing, only in different words.

Later on Mr. Playford, on page 758, used these words—

The difference between sending down amendments from the Senate, and sending suggestions,

is the difference between tweedledum and tweedledee. The practical result will be the same, whether amendments or suggestions are sent from the Senate to the House of Representatives.

Can there be any doubt about the matter? But if these requests are not to be entertained, or if they are to be summarily rejected, or if we are to accept their rejection once as absolutely final, the whole position that for all constitutional purposes requests are equivalent to amendments entirely disappears. Sir Joseph Abbott took up a similar position. He said—

I cannot see where there is much difference between amendment and suggestion.

Again he observed :—

It is practically absolutely the same as amendment.

At the Adelaide Convention the matter was again reviewed and debated, and these statements were repeated. The present Speaker of the House of Representatives, Sir Frederick Holder, entertained a similar view, whilst Mr. Reid, who, in the interests of the largest State, New South Wales, was really in favour of what in effect was a unification as against federation, based his opposition to the proposal to grant the Senate the power of requesting amendments upon the ground that it was in substance and effect the same as the power of amendment. The Bill in the form in which it came from the constitutional committee of the Convention of 1897 gave the Senate equal power with the House of Representatives in regard to taxation Bills, and confined the limitation as to requests to amend to appropriation Bills. Mr. Reid moved an amendment to subject the Senate's powers as to taxation Bills to the same limitation; in other words, to include taxation Bills where they now stand in clause 53. His amendment was carried by a majority of only two votes, the very considerable minority thinking that whilst Bills appropriating the ordinary expenditure of the year should be placed upon a different footing from other measures, and should not be so readily liable to be dealt with, it was considered that taxation Bills should be placed, so to speak, at the unrestricted disposal of the Senate. In the debate which ensued, the whole contest turned upon whether or not the power of request, even in the case of taxation or appropriation Bills, was as good as the power of amendment for all purposes of effective control. In his desire—I will not say to belittle this Chamber, but to diminish its powers—

Mr. Reid, the strongest opponent of any control by the Senate, subsequently moved to strike out the whole of the provision relating to the power of request. In the course of that debate he observed—as honorable senators will see by a reference to the official report of the proceedings—pages 1997-8—

I confess I cannot see any difference between allowing the Senate to amend money Bills by altering them, and requesting the concurrence of the Lower House in the alteration, and not altering the Bill, but sending down a suggestion that a Bill should be altered in the other House in a similar form.

I thoroughly agree with those remarks. Again, on page 1998, in replying to an interjection by Sir John Forrest, who advocated clothing the Senate with unlimited power in the matter of dealing with money Bills, he is reported to have said—

I defer very much to the right honorable member on many points, but on this point I have an authority of greater weight, that of Sir Samuel Griffith, who was one of the chief authors of this Draft Bill as it stood in 1891. I notice that he, in his *Notes on the Draft Federal Constitution*, framed at Adelaide in 1897, makes these observations :—

“Whether the mode in which the Senate should express its desire for an alteration in Money Bills is by an amendment in which they request the concurrence of the House of Representatives as in other cases, or by a suggestion that the desired amendment should be made by the Lower House, as of its own motion, seems to be a matter of minor importance. A strong Senate will compel attention to its suggestions; a weak one would not insist on its amendments.”

That opinion, coming from Sir Samuel Griffith, who then stood outside the arena of controversial politics, must certainly carry very great weight. I think that the passages to which I have directed attention conclusively show that the framers of the Constitution—at any rate, all those who were federalists and desired to obtain a true federal constitution, in opposition to the comparative few who advocated a unification—were in favour of three things. They desired that the Senate should have an effective control over Money Bills as well as other Bills. They held that that control was necessary to the proper exercise of its functions as a States House. The only difficulty was in determining the mode in which that control should be exercised without doing unnecessary violence to the feelings of those who all their political lives had been accustomed to a system quite foreign to that of Federal Houses of Parliament. After exhaustive debate the method adopted

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was that of giving the Senate substantially the power of amendment, but giving it in the form of a request to the House in which Money Bills originate. There has never been any doubt that these requests are not a mere *ad misericordiam* appeal to be withdrawn the moment there is a breath of opposition to them. They were intended to be reiterated again and again if the adoption of that course were necessary to insure their full consideration, and the avoidance of mischief which might otherwise be brought about. Common sense shows that the framers of the Constitution were upon sound ground when they adopted that view, and they are to be congratulated upon the form which the power of control finally took. There is no limitation in the Constitution in regard to the number of times a request may be repeated. The power of request does not mean that we are to abandon it the moment we make it if the persons to whom it is addressed say, “No.” We are all acquainted with the request of the importunate widow which was only conceded after it had been repeated times without number. Surely, when a person is given the power to make a request—unless the contrary is expressly stated—he is not debarred from civilly and courteously repeating it a second time? Power to request means to request as often as necessary till the request is granted, unless there is some prohibition and penalty against its repetition. Of course, it is just possible that when repeated it may meet with the same fate as it originally met. But, in this case, it is hoped that it is addressed to men who will view it from a statesmanlike stand-point. Surely that is the interpretation which we should place upon the Constitution rather than that which was attempted to be placed upon it in the early days of the Senate's sittings, by an insistence upon the rigid dictionary meaning of a particular word—a technical interpretation which might be all very well in the Banco Court, but which certainly should not appeal to men in practical politics. We have to work out a Constitution which admittedly is not intended to be exhaustive, but which is rather designed to be a skeleton which has to be clothed with flesh and blood, according to the necessities of the times. In support of that view I may mention—though it will scarcely be credited—that in the Convention of 1891 Sir William McMillan submitted a motion conferring upon the Senate the direct

power to amend Money Bills, but depriving it of the power to send a Bill back more than once, with any amendment not agreed to by the House of Representatives. It is a singular commentary upon what has been taking place, and what is referred to in this preamble. The proposal was that the Senate should be deprived of the power of sending back a measure with any amendment to which the House of Representatives had not agreed. It was sought to place upon the Senate by the Constitution the obligation of affirming or rejecting a Bill after it had once sent it back to the House of Representatives with amendments. The Convention rejected that proposal with scorn. What is suggested now? What is hinted at in this preamble? What is the feeling that is being generated outside and in the public journals? Why, the very same thing which Sir William McMillan proposed, and to which no Convention would listen. The contention is, we exhausted our power when we made requests the first time. We have to deal with the matter from its largest point of view. What was sought to be done in 1891 was to give direct power of amendment to the Senate, but not to allow us to send back amendments more than once. That proposal was defeated, and its defeat threw a new light upon the power to request amendments which has been retained. In conformity with what we should expect, the right to repeat requests is, and was, intended to be unlimited.

Senator STYLES.—Then the power to request is larger than the power to amend.

Senator Sir JOSIAH SYMON.—No; but it is larger than the power of amendment proposed by Sir William McMillan, with the disability that the amendments should be sent to the House of Representatives only once. Sir Samuel Griffith laid his finger upon the absolute vice of the amendment proposed by Sir William McMillan when he said that he rejected an amendment so hampered, adding, with the utmost truth, "an amendment so hampered would weaken the Senate." What is left to us? The power to request amendments, but not subject to the vice associated with Sir William McMillan's proposal. It seems to me abundantly clear that if we are to draw any inference at all—though I do not wish to draw any strong inference in this matter

from the words of a member of the Convention or of any one else—it is that requests may be repeated courteously and civilly, until the two Chambers come to an agreement, or, if the questions at issue are important enough, to an absolute deadlock. There are two other matters to which I wish to call attention in regard to the repetition of requests. The honorable and learned member for North Melbourne moved during the Melbourne session of the Convention that the words "at any stage," in section 53, be struck out. To my mind, if those words had been struck out the effect of the provision would not have been altered, though it might appear to have been enlarged. The honorable and learned member did not move for their omission with a view to enlarge the provision, but in order to limit it by inserting the word "once." The Convention, without any hesitation, and, if my recollection be correct, on the voices, rejected that amendment. It was not intended by them that the sending of requests should be limited to one occasion. When I heard it argued that the words "at any stage" were to be interpreted in the technical parliamentary sense as referring to stages such as the first, second, and third readings of a Bill, I was shocked that an attempt should be made to place so rigid, narrow, and iron-bound a construction upon a great instrument of constitutional government.

Senator PEARCE.—The honorable and learned member for Indi, who set up that theory, confessed that he did not know what is meant by a stage of a Bill.

Senator Sir JOSIAH SYMON.—I think that that is the most generous explanation to offer for his contention. Looking at the matter apart from any rigidity, narrowness, or technicality, the words "at any stage" are equivalent to "at any step." Of course that does not settle the matter; but "at any step" would mean at any step in the progress of the consideration of a measure, and such a step is taken when a committee reports progress, when consideration in committee is resumed, when the committee's report is brought up for adoption, and when a Message is sent to the other Chamber. I do not, however, wish to discuss that matter now, because we may have other opportunities of doing so; but I desire, with the greatest deference, to state my view that the expression "at any stage" in no way solves any question that may arise in

regard to the interpretation of the sub-section. Of course that does not settle the matter, because the contention is that whether the words mean at any step in the consideration of a Bill, or at any stage in the limited parliamentary sense, the same requests cannot be repeated. I have already dealt with that contention, and shown that upon no constitutional principle, upon no fair and right-minded consideration of the nature of the instrument with which we are dealing—which is an instrument of constitutional government not meant to be exhaustive in its details, which we wish to make workable in every way to subserve the great ends in view—can it commend itself for a moment to those who take these matters into deliberation. It has also been said that the words “if it thinks fit” give some greater power to, or throw some further light upon the dominant power of, the House of Representatives. We do not wish to talk about consequences now. We are dealing with the matter just as it stands, when Renewals of Requests, conceived in what I believe to be a spirit of statesmanship, and sent back to the other House with a Message framed in the spirit of courtesy, have come again to us after having been dealt with there. The words, “if it thinks fit,” were struck out by the drafting committee, because the members of that committee no doubt considered, as the Prime Minister considered, that they added nothing to the effect of the provision beyond what is given to it by the word “may.” The House of Representatives has the same power with regard to requests, but to my thinking, no more than, it has with regard to amendments sent down by the Senate. It may, if it thinks fit, agree or disagree to our amendments in an ordinary Bill. The words, “if it thinks fit,” convey no larger power in regard to requests. When dealing with the motion of the honorable and learned member for Indi in the Convention, for the re-insertion of the words, Sir Edmund Barton declared—and I entirely agree with him—that there would be no real difference in the meaning of the section, whether the words were or were not re-inserted. No one can doubt for a moment that the drafting committee, whose members were among the most experienced members of the Convention, were right in eliminating the words upon the ground that they made no difference to the meaning of the provision, and placed the House

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of Representatives in no stronger or more different position than it held with regard to ordinary amendments. The Prime Minister held the view which I held, that it is only by treating requests as amendments that they can be made in any degree effective. The power of making requests is given to the Senate. How is it to be made effective? Is it to be made effective by holding out our hand and then withdrawing it, or by persisting in our requests, not to the point of insisting upon what may be minor matters, but upon what may be matters of the highest importance? As the Attorney-General said in 1891, if you endow the Senate with special powers, you do so for the purpose of their exercising them. That is our position. We also stand in the position which the Attorney-General put in the strongest way possible; that in certain contingencies we must take whatever course we consider open to us with the responsibility of having to face our constituents—the people of the country—just as the House of Representatives must do. I have never deviated from the position that there should be effective responsible government, but it seems to me that that can be secured consistently with the Senate's powers and the claims embodied in sending the same requests in a second Message or any number of Messages. I agree with Sir Samuel Griffith, that one House must have the responsibility of originating expenditure and taxation, and, therefore, to that extent will have a controlling influence. That is the basis of the control of the other Chamber. I do not seek to qualify in any degree its power to originate Money Bills, whether Appropriation Bills or Taxing Bills. But, when we have a reference to standing orders or joint standing orders, and the suggestion that confusion or difficulty is caused by their absence, I repudiate such a position. No standing orders can affect our rights; they cannot be the subject of standing orders. Standing orders can apply only to matters of procedure, and whatever view is taken, the Senate will not be likely to relinquish its rights or diminish its powers by the adoption of standing orders which it may be asked to pass for the regulation of the procedure between the two Chambers. I am certain that Senator O'Connor will agree with me in that. As I have said, I submit my views from the constitutional aspect of the Senate and as a senator. I ask

myself—"What is the sum of it all? Where do we, as the Senate of the Commonwealth, now stand?" To me the position is eminently satisfactory. The powers of the Senate and its functions have not been deflected in any way; nor do they represent any encroachment in any way upon the powers of another Chamber, nor up to the present moment has the arm of the Senate in these matters been shortened one hair's breadth, so far as I can see, in fulfilling what we believe to be the great part given to the Chamber by the Constitution. Laws appropriating revenue or imposing taxation are not to originate in the Senate. The true significance of that provision in the Constitution has not yet been determined. The question has not arisen. Its scope, its significance, and its limitations have not yet been considered. I make no predictions whatever in regard to it; nor do I inquire at this moment as to the outcome in case there should be at any time a conflict between the two Houses—which, in my belief, is not likely to arise now—upon the point which we have reached. I do not seek to anticipate any solution of matters which have not yet arisen; nor do I desire to import any doubts into them. But, conceding to the House of Representatives the exclusive right to originate Money Bills, I claim that in respect of these financial proposals the power of the Senate is co-ordinate—not superior or dominant, in any way or under any colour, but co-ordinate in substance with that of the House of Representatives. I ask no more, and I, for one, shall be content with no less. I think that position marks the constitutional high-road which we have travelled in dealing with the Customs Tariff Bill. It is for that reason that I think it was unwise to agitate the public mind with any doubt upon the subject. Equally with the House of Representatives we have dealt with every line and detail of the proposed taxation. To have done so without the power in some way or other to enforce the opinion of the Senate would have been an absolute waste of time. Of that I think there can be no doubt. A constitution under which such a condition of things would be possible would deserve not eulogy but contempt. It would deserve to be blotted out of the system of government of any self-respecting nation. I cannot understand how such a contention could be raised for one

moment. The Senate has made—I do not wish to use any controversial word at this stage—what some of us think are improvements in the Tariff. Others may think differently, but, at all events, we have made changes just as the House of Representatives has done, and I am glad to think that the Bill, whatever may be its final shape, will carry more or less the impress of the Senate's work upon it. We have conveyed our conclusions in the usual way to another place, and the House of Representatives have, by their action, recognised our rights and respected the power which we have respectfully and, I hope, courteously, used. Mere doubts as to procedure are, I think, the strongest affirmation of the existence of the power, and I rejoice that the constitutional status—the constitutional eminence—of the Senate at this point stands secure. I rejoice that it has risen to the height of the duties conferred upon it by the framers of the Constitution, and that it has answered the purpose for which it was designed. I hope that not one of us, or of those who may come after us, will retire one step from the position we now occupy. I hope that when the necessity arises we shall advance to the full altitude of what I think the framers of the Constitution expected of the Senate, and of what the people of this country expect of us. It is from that point of view that it seems to me we may fix our attitude in regard to the only real and business part of the Message that we are considering. I should have preferred to regard the preamble as being simply an excrescence, but it invites us to express our own views, to define our attitude, and to indicate that attitude respectfully to another place. Probably, I should not be in order in referring now to the items of the Tariff, but I may be permitted to say that, if the amendment is adopted, I presume that what will be referred to the committee will only be the requests which have been dealt with by another place. Probably we shall not have an opportunity—nor will it be necessary—to in any way refer to the committee the early portion or what I call the exordium or preamble. If the amendment be carried I think the way will be clear, so far as any of these matters are concerned, to deal with the substantial and real part of the Message; and I shall counsel my honorable friends to join with

me in considering, in a spirit of conciliation—I may say in a spirit of magnanimity—the further views of the House of Representatives in reference to our requests.

Senator HIGGS.—The magnanimity of the majority.

Senator Sir JOSIAH SYMON.—I do not know that my honorable friend need interpose with that remark. At all events I prefer to take no notice of it. The Tariff has been in progress for eleven months, and I agree that during this period of uncertainty business has been disturbed; that merchants, manufacturers, and consumers alike have been inconvenienced, and that, owing to the unsettled condition occasioned by the progress of the Tariff, they may have been injured. States which we more particularly represent, as well as individuals, have been more or less affected, and none of us, probably, would be justified, unless under irresistible pressure, in prolonging that condition of affairs. Even Tariffs are finite; good ones are not immutable, and bad ones, such as this, carry in themselves the seeds of their own dissolution. My honorable friends opposite will not be able to accuse me of having held out much hope of permanence for this Tariff in whatever shape it may be placed on the statute-book. But it is in the spirit I have indicated that I wish to approach the consideration of these details in committee. If the preamble gets into committee other considerations may be raised, but in that regard I shall reserve my course of action until the preamble does appear in committee. I hope it will not reach the committee, but if it does I shall take an early opportunity of indicating what I propose in regard to the whole Message. I trust, however, that the Senate will be true to itself and its own dignity. I trust that the present sitting will not close without a clear expression of opinion as to our undoubted rights and privileges, and even as regards the Tariff itself without a good and faithful deliverance. I move the amendment.

Senator O'CONNOR (New South Wales—Vice-President of the Executive Council).—I think that no one who has watched the course of debate in this Chamber can accuse either my honorable and learned colleague or myself of having ever attempted—or of having lent ourselves in any way to any attempt—to minimise the power of the Senate. I consider that one of the highest

duties which the Government owe to Australia is to the best of their ability to see that the Constitution is faithfully and loyally carried out as the Convention intended it to be carried out. It, undoubtedly, was one of the prominent features of the Constitution, as carried by the Convention, that the Senate should be a House with an effective control over legislation of every kind. I do not intend to follow my honorable and learned friend into his very interesting references to the opinions of members of the Convention as to the meaning and intention of the section, providing that laws appropriating revenue or imposing taxation are not to originate in the Senate, because it appears to me that it is sufficient for us to look at the crystallized effect of all these clashing opinions in the Constitution itself, and the Constitution itself speaks with no uncertain voice as to what the powers of the Senate are. The powers of the Senate are expressed in very clear and plain language. It seems to me of very little importance whether we describe those powers as powers of amendment or powers of request, because certain powers of action are given to the Senate according to its own discretion, and they may or may not result in the same effect as amendments. It appears to me that it is merely idle controversy to endeavour to distinguish requests from amendments, or, on the other hand, to endeavour to show that they are the same as amendments. The powers which the Constitution gives the Senate are powers to make requests upon any of these subjects, where they cannot make amendments, at any time which comes within the definition of the words of the Constitution, "at any stage." I do not intend to enter into the controversy as to what the meaning of those words may be, because I agree with my honorable and learned friend Senator Symon that we must regard this section as a section intended to make easy the working of responsible government between these two Houses. It was the result of a compromise which recognised that the Senate would be, and must be, an entirely different body from the Legislative Councils or Upper Houses of the different States. But it also recognised that it would be impossible for this Constitution to work unless there was such a difference in the powers of the Senate and the powers of the House of Representatives as made responsible government possible.

Therefore, there is given to the Senate power to make suggestions, and by the words of the section this power seems to me to be limited only by the discretion of the Senate itself in exercising it. At the same time there is a power given to the House of Representatives, at any time and under any circumstances it thinks fit, to exercise its discretion not to accede to requests. That is the strength and power of the House of Representatives, and it appears to me that that power may be exercised on the first occasion, the second, third, or fourth occasion, or at any stage upon which the House of Representatives thinks fit to put its foot down and say—"There shall be no more requests acceded to." That being the position of things, each House having a very large discretion, an almost unlimited discretion, as to how it will exercise its powers, it is quite evident that the legislative machine cannot go on unless those powers are exercised with a reasonable regard to the position of the Houses in any scheme of responsible government. There is no difficulty whatever as to the powers of the Senate in exercising its right to make requests according to its own discretion. There can be no question either about the power of the House of Representatives at any time to refuse those requests, and it is only by the reasonable exercise of those powers, and by the exercise of those powers in view of the necessities and the welfare of Australia, that any legislation can be consummated. Now, under these circumstances, how is the working of these Houses to be regulated? I say it is not regulated, and never can be regulated, by affirmations or denials in one House or the other. It can only be regulated by the actual working out of practical questions between the two Houses. I think there can be no doubt that in time to come, as the experience of actual dealings between the two Houses teaches them what in effect must be the limitations of either House, a working method will be adopted between the two Houses which will enable both of them to carry out the business of the country. But that method can be arrived at only by the concessions which will be made by either House to the necessities of the position and to the welfare of the community. If either House insisted upon exercising its rights unduly, legislation would become impossible, and it appears to me that it will be the case in this Constitution, as in every other, that,

where a power is given, that power can be exercised only up to the point at which the whole community think it is reasonable to exercise it. That will be so with regard to the powers of both Houses. I have made these general observations with a view of pointing out what the real position is here, and with a view of pointing out that the course which is suggested by my honorable and learned friend is not one which will lead to the real settlement of any question in dispute between the two Houses. It is not one which will aid or add one iota to the powers of this House, and I may say it is not one which, in my opinion, will add to the dignity of this House. Now, what does my honorable and learned friend propose to do? He proposes to send down to the other House these words by way of addition to the Message—

This House affirming that the action of the House of Representatives in receiving and dealing with the reiterated requests of the Senate is in compliance with the undoubted constitutional position and rights of the Senate.

Although the method of statement is by way of affirming and approving of the action of the House of Representatives, my honorable and learned friend admits, frankly enough, that the object of it is to assert directly the right of the Senate to send down reiterated requests upon this or any other measure.

Senator FRASER.—It is an answer to their Message.

Senator O'CONNOR.—It is not an answer to their Message, as I shall show in a moment.

Senator FRASER.—What else is it?

Senator O'CONNOR.—It is an assertion of the right of this House under the Constitution to send down reiterated requests. That is, to put it shortly, and there is no doubt that that is the meaning of it. It does seem rather an extraordinary thing that my honorable and learned friend should indorse a statement by way of approval of what the House of Representatives has done, although the House of Representatives has stated that it has acted under special circumstances, and without affirming or denying the right contended for. The amendment therefore practically purports to be an approval of what the House of Representatives distinctly has not done. That may be a matter of form, and I do not care very much how it is put. What I am really dealing with is the substance,

in whatever way the amendment is put, and the substance of my honorable and learned friend's amendment is to affirm and reiterate and press in the strongest possible way the proposition that this Senate has the right to send down its requests as often as it thinks fit.

Senator Sir JOSIAH SYMON.—No. It affirms that what we have done is constitutional.

Senator O'CONNOR.—That may be perfectly true, and I am not going to deny it. Honorable senators must recognise at once, that a stand having been taken by my honorable colleagues in the other House—and taken for very good reasons, as I shall show in a moment—I am in such a position here that it would not be right for me by anything which I might say to embarrass them in any way whatever. But it is quite open for me to say this—That the action which was taken by this House, and taken on my motion, in sending this Tariff with the requests down to the House of Representatives on two occasions, and on the second occasion in pressing requests which had been refused before, was the strongest possible assertion that this House has the right to send those requests down, and that the right was properly exercised on that occasion.

Senator Sir JOSIAH SYMON.—Then why put this pre-amble in?

Senator O'CONNOR.—That right has been, as I say, asserted in the strongest possible way by action on the part of this House. Now, what was the next step? When our Message reached the House of Representatives, as honorable senators will recollect, the Speaker, as was his duty, called attention to the Message, and pointed out that the constitutional position of the Senate in regard to this Message depended really upon the interpretation which was to be put upon the words, "at any stage," in section 53 of the Constitution. He further pointed out that, in an important matter of that kind, he would not take it upon himself to decide, but left it to the House to decide. Immediately, a question was raised as to whether the House of Representatives should receive the Message and deal with it, on the ground that the Senate, in sending down these second requests, had exceeded its powers. The Government then were placed in this position—A controversy of very great constitutional importance was opened up. If that controversy and the fate of the

Tariff were to go together, it might be a considerable time before the question were settled.

Senator DAWSON.—Or one might be destroyed, and the other not settled.

Senator O'CONNOR.—And in the meantime, the whole of the Commonwealth, which had been waiting something like eleven months for the settlement of this question, would have to wait possibly weeks longer while the constitutional authorities of both Houses discussed this question. Now I say we were sent here to both Houses to do the business of the country. We were sent here to bring about agreement upon this Tariff at the earliest possible moment, and if we were to avoid taking advantage of any reasonable means of bringing about a settlement we should not be true to the duty placed upon us by the constituents of both Houses. It was our duty to come to a conclusion as soon as possible, and if we saw that there was a controversy involved, which although important in itself, was not as important as the practical question of settling this Tariff, and enabling Australia to get about its business, we not only had the right, but we were bound to take any course which would relieve, not the House or the Government, but the whole community. And the course taken then was that pursued by the Acting Prime Minister, who submitted a motion which in no way detracted or reflected upon the exercise of the rights of this Chamber—which affected the rights of this Chamber in no way whatever, but expressed the opinion that, in exercising their right to accede to or refuse the requests of this Chamber, the House of Representatives should not then determine what were its own powers or obligations.

Senator Lt.-Col. GOULD.—What necessity was there to send that resolution on to us? There must have been some reason.

Senator O'CONNOR.—That is a matter which does not touch the point with which I am now dealing.

Senator Lt.-Col. GOULD.—It is a very pertinent question all the same.

Senator O'CONNOR.—I do not think so, but I shall refer to the point in a moment. I am not averse to taking such action as will completely nullify any implication which might be made by reason of our receiving this Message without protest; but I

am now objecting to the motion which Senator Symon has proposed. The resolution of the House of Representatives, which is embodied in the Message, practically is—

That having regard to the fact that the public welfare demands the early enactment of a Federal Tariff, and pending the adoption of joint standing orders, this House refrains from the determination of its constitutional rights or obligations in respect to this Message, and resolves to receive and consider it forthwith.

That is to say, the House of Representatives, under the particular circumstances, refrains from raising any question whatever about the Message from the Senate—it resolves to leave for settlement on another occasion any question which may arise. The House of Representatives does not deny or affirm that this House has certain rights, but says that, under the circumstances, it will not take the constitutional question into consideration. That is a wise, and, if I may say so, a statesmanlike way of dealing with the situation. It is a method which I feel sure will commend itself to the community generally, who, for so many months have been anxiously waiting for a practical settlement of the Tariff question. Having passed that resolution the House of Representatives proceeded to discuss our requests, some of which they accepted, and others of which they refused or modified. In other words, the House of Representatives dealt with our second Message precisely in the same way that it dealt with the first Message; no difference whatever was made, except that when the Bill was returned the Message contained certain words which Senator Symon referred to as the preamble. Of course, there is no question that there would have been less trouble and less possibility of friction if this preamble had been left out. At the same time, that is a matter for the other House to determine. The House of Representatives sent on this Message, and it is for us to consider its effect and how we are to deal with it. I say, without hesitation that, inasmuch as this Message detracts in no way from our powers, seeks to minimize our powers in no way, and makes no claim against our powers—but merely asserts that the House of Representatives does not enter on the consideration of how it will exercise its discretion in regard to our Messages, there is no necessity for us to do more than to inform the House of Representatives that, as far as this Message is concerned, for the same reasons as

were given by it, we also refrain from exercising any powers, or coming to a determination in regard to our powers.

Senator Sir JOSIAH SYMON.—We have no doubt about our powers.

Senator O'CONNOR.—In order to show, as soon as possible, the difference between the view which I submit and the view of Senator Symon, I now move the following amendment on the amendment now before the Senate:—

That the amendment be amended by the omission of all the words after the word "House," line 1, down to and including the word "Senate," line 6, with a view to insert in lieu thereof the following words:—"having regard to the fact that the public welfare demands the early enactment of a Federal Tariff, refrains from the determination of its constitutional rights and obligations in respect to the House of Representatives' Message of the 4th September, 1902, and resolves to take it into consideration forthwith."

Senator CLEMONS.—Why leave out the words "pending the adoption of joint standing orders"?

Senator O'CONNOR.—I do not think the words are necessary, because, in my opinion, standing orders will not really settle the matter. There are certain points connected with the Message which standing orders will settle, but standing orders will not settle the whole question; and there is no necessity to embarrass the motion by inserting anything not absolutely essential. It appears to me that the amendment I have moved is all that is required to meet the position. Our Message has been received and dealt with, and our rights have been recognised. But in sending back the Message which recognised our rights, the House inserted a saving clause which is in effect a declaration that for certain reasons of great public concernment it is not thought right at this time to go into the constitutional question. Whenever the constitutional question does arise, can any one say that the Senate has had one iota of its power taken away? Is there power in any respect taken from the Senate by the terms of the Message or the terms of the resolution of the House of Representatives? Possibly some honorable members may be of opinion that by merely receiving and dealing with the Message containing the preamble we may give away something; but the position can be met by a statement similar to that made by the other House. We may declare that having regard to the public necessities, the Senate

will take the same course as the House of Representatives, and not enter on the determination of its rights or obligations, but take the Message into consideration forthwith. Honorable senators who have studied constitutional questions will agree that the Message of the House of Representatives affects our rights in no way whatever. If we disregarded the preamble, and simply took what action we thought fit, dealing with the Message in the ordinary way, our rights would not be affected. I have no hesitation in saying that no honorable senator can point to any portion of the Message or any proceedings in regard to it which affect our rights or hamper us in any way. But if it be thought well to be extremely careful not to show any semblance of giving away a right, or if there be any danger anticipated in accepting the Message with the preamble, that danger can be met by the amendment which I have submitted. This is not the time to enter into barren Constitutional controversies. If the House of Representatives had declined to consider our Message then a Constitutional question of great moment would have been raised, and it would have to be settled as a matter of practical politics. But no Constitutional question has been raised in connexion with this particular Bill, and when we have before us merely an abstract statement that the other House declines, under the special circumstances, to determine its Constitutional position in regard to our Message, what substantiality is there in now raising a Constitutional issue? If we have rights, and have exercised them, and if the exercise of the rights has been admitted, what need is there for us to flaunt in the face of the other House an assertion of our privileges, no matter how true that assertion may be? I have already pointed out that we have done nothing unconstitutional—that everything we have done is well within our powers. Under these circumstances where is the necessity for reiterating a statement, which, at this late period of the session, must provoke a resultless controversy? To raise the question now would mean long debates, and, after all, a settlement of nothing. We must remember, as I said before, that the rights and obligations of the two Houses cannot be settled by affirmations in messages. Those rights and obligations can be settled only by action—by our actual dealing with Messages.

Senator O'Connor.

When the time comes for really settling this question in connexion with the present or any other Bill, can any one say that any resolution placed on record here will carry the question of our powers one whit further than it has been carried already?

Senator BEST.—It is a case of “a plague on both your resolutions.”

Senator O'CONNOR.—I quite agree with the honorable and learned senator.

Senator Sir JOSIAH SYMON.—The Government should have adopted Mr. Higgins' suggestion.

Senator O'CONNOR.—I should have very much preferred to see no notice taken of the matter at all, and the Message simply received. But if the Senate should be of opinion, as some honorable senators apparently are, that the greatest possible care should be taken that nothing shall be inferred from our not noticing the resolution, then the amendment I have submitted will meet the difficulty. If our labours on the Tariff are to come to an end very shortly, I hope the constitutional question, which is now detached from the Tariff, will be settled on some other occasion in a practical way. I hope that the Senate will not indulge in a course of conduct which can have no good effect, and which is merely flaunting in the face of the other House our assertion of what we consider their conduct should have been. Such a step would provoke an answer and lead to controversy between the two Houses—a controversy which, so far as the public and the Commonwealth electors are concerned, could have no good result.

Senator Lt.-Col. GOULD (New South Wales).—I must confess to a feeling of very grave disappointment at the way in which the Vice-President of the Executive Council has dealt with this matter. So far as concerns the real question as to the powers of the Senate, after the very clear and exhaustive speech delivered by Senator Symon, there can be no doubt left in the minds of honorable senators. There can be no doubt as to what our position really is, taking not only the actual wording of the Constitution itself, but also taking the whole of the debates which led up to the formation of the Constitution, and the expressions of opinion by the members of the Convention. Therefore, it is no part of my duty—nor do I propose in any way—to add to what has been said in maintaining our constitutional rights and privileges. I take it that they are

abundantly clear, and do not require any further elucidation. But when we come to the question of the attitude which the Senate should take up with regard to the Message of the House of Representatives the position is very different indeed; and, to my mind, it is a very great mistake that the Vice-President of the Executive Council should, while professing to hold the strongest views with regard to the powers of the Senate, propose to meet in so weak and halting a manner that Message sent up to us so unnecessarily. In the first place, so far as our Message was concerned, it did not require any reply of the character that has been sent to us. We made certain requests, and the House of Representatives passed a resolution stating reasons why they should proceed to consider our Message. But it was no part of their duty to send on to us that resolution in their Message. The preliminary paragraph of the Message did not emanate from the Government. That portion of the Message really emanated from a suggestion made by honorable members of the other House, who are entirely opposed to the rights of the Senate in this particular respect. Any honorable senator who has taken the trouble to read the debates, or who had the opportunity of hearing them in the House of Representatives, will be aware that very strong opinions were expressed by a coterie of members there to the effect that the Senate had no right, beyond sending one request, and accepting the determination of the House of Representatives in regard to that request, unless it were prepared to go to the length of rejecting altogether the Bill concerning which the request was made. I contend, however, that when the other House took the trouble to send its Message to us, it became absolutely incumbent upon the Senate to take some action to defend its own position and its rights. The Message virtually says that it is almost a favour that the other House has extended to us in considering our renewed requests. There has been a strong expression of opinion on the part of some members of another place, that this House has no rights in the matter, but we are told that the other House is willing to set aside the question of its own rights and privileges, in order that it may have regard for the public welfare. If the Senate accepts a Message in those terms, it will prove itself unworthy of the position it occupies under the Constitution; and I

cannot conceive that any honorable senators, more especially those who have come here with the expressed determination of doing all they can to make this a strong Senate, should see their way to support such a very lame, halting, and impotent amendment as has been proposed by the Vice-President of the Executive Council. We are invited by this amendment to say that we are not prepared to affirm what our own position is. It is proposed that we should acquaint the other House that, having regard to the fact that the public welfare demands an early enactment of the Federal Tariff, the Senate refrains from the expression of an opinion as to its constitutional rights. Does not that imply that this Senate is also labouring under a doubt as to what its powers are? Has there been a doubt expressed by any honorable senator as to the rights and powers of the Senate? So far we have only heard, in the course of this debate, an expression of opinion from the leaders on either side; but we know that questions of a similar character to this have cropped up previously. We know that honorable senators have expressed their opinions in favour of the maintenance of the powers of the Senate. In the early stages of our constitutional history, when we are settling the relations of the two Houses, we ought not where no doubt exists to give expression to any doubt with regard to our rights. If we, for one moment, take up the position occupied by the Vice-President of the Executive Council, and say that we refrain from expressing an opinion, we admit that there is a doubt, and we shall be giving away in this respect those rights which are conferred upon us by the Constitution. It has been suggested that we should take no notice of the first portion of the Message of the House of Representatives.

Senator FRASER.—No notice would be better than a weak notice.

Senator Lt.-Col. GOULD.—I was just going to say so.

Senator PEARCE.—Or the recognition of any doubt whatever.

Senator Lt.-Col. GOULD.—If we are going to take notice of it, we should recognise no doubt whatever. We have no doubt as to our position, and we should affirm that in dealing with the Message. I believe that honorable senators will realize that the embodiment of the paragraph in question in the Message is an expression of the views

of the enemies of the Senate—of the views of honorable members who believe, or profess to believe, that this Senate has no right to insist upon requests for amendment in Bills dealing with taxation or appropriating public funds. I do not propose to deal with the matter further, because I feel that the whole position lies in a nutshell. It must appeal to honorable senators that since we have rights we ought to vindicate them. If they are doubtful as to their rights, let them pass the amendment of the Vice-President of the Executive Council, but I contend that their duty to themselves, and to the country, is to show clearly what their position is, and to express themselves in clear and unmistakable terms.

Senator Sir JOHN DOWNER (South Australia).—We have heard this afternoon a very learned discourse about the undoubted rights of the Senate which, in my time, I have supported as strongly as any honorable senator present, and shall support to the end of the chapter. But the substantial question in itself amounts to nothing. It reminds me of the story of the coon up a tree. The hunter says—"Will you come down?" The coon says—"Yes, I will come down, but I shall not come down another time if I can help it." But he comes down all the same. Is not that good enough? What is the question before us now? The position is that the requests for amendments which we sent to the other branch of the Legislature have been dealt with and that the Bill has been returned to us by the House of Representatives. There is no question between us. What is bearing on the minds of the members of another place does not concern us. It does not matter to us if they say—"You must not think that we are giving in this time; you must not think that we are always going to give in." There is no question for us to decide if they say that. The substantial question—the matter which we have to consider—is that the mercantile world is waiting anxiously for this Tariff; and I see no object in delaying and taking up time either with the amendment of the leader of the Opposition or with the amendment of the Vice-President of the Executive Council. There is no use in our considering a matter which touches no vital question, although it expresses an anxiety at some future time to decide a point as to the rights of the two

Houses. The Constitution is surely strong enough to provide against all the doubts that can be expressed by the other House, to which they will be powerless to give effect. So long as the Senate takes up a firm attitude, the heathen may rage furiously, but they will imagine a vain thing. When we come to the substantial question, I hope we shall show the advantage of prompt decision rather than urge a multitude of words. To-day we have heard a multitude of words on this question, involving nothing, and as to which the other House have given in to us. They have accepted our suggestions, and eaten humble pie. They have come down entirely. But because they have said, just for the purpose of keeping a little self-respect in some of them—"We will not promise always to do this"—we have this tremendous uproar and riot, and all this long discussion! I intend to oppose both amendments, and support going into committee on the Bill.

Senator HIGGS (Queensland).—I do not wish to add very much upon this question. I think it is a matter for regret that the House of Representatives have found it necessary to send up their resolution in its present form. It seems to me that if honorable members in another place have any doubts as to our right to send Messages renewing requests it is not for us to cavil very much at their decision. Many members of the other Chamber have no doubt with respect to our powers in this respect, and they have shown that by including themselves in the large majority which voted for the resolution and against any refusal to consider our renewed requests. Senator Symon's amendment does not please me, because it savours of an attempt to provoke a contest with the other Chamber.

Senator Sir JOSIAH SYMON.—I do not wish that.

Senator HIGGS.—To my mind, Senator O'Connor's amendment does not constitute any improvement. There can be no doubt whatever as to the rights of the Senate under section 53 of the Constitution, and if a conflict arose between the two Houses in that respect I feel sure that the public would side with this Chamber. But, because we are fully confident of our powers, is that any reason why we should say anything at the present time which might have the effect of embittering the relations between the two Houses? I think the Vice-President of the Executive Council would be

acting wisely if he withdrew his amendment, and it would be well if Senator Symon also withdrew the latter portion of his amendment.

Senator Sir JOSIAH SYMON.—I have no objection to adopting that course if the Vice-President will withdraw his amendment.

Senator HIGGS.—If that were done, every honorable senator would be satisfied that this Chamber had placed upon record its opinion with regard to its constitutional powers under section 53. Then the House of Representatives, if it desired to challenge our rights, could do so at any time. Whenever it thought it was necessary to bring about a conflict with this Chamber in regard to Money Bills, it would have to throw down the gauntlet.

Senator Sir JOSIAH SYMON.—The latter portion of my amendment was included in it because I thought it would be courteous on our part to notify the other Chamber. However, I am quite willing to withdraw it if the honorable senator thinks that it might be differently interpreted.

Senator HIGGS.—To refrain from communicating to the other House our opinion in regard to our constitutional rights would not be discourteous to it.

Senator FRASER.—What about its communication to us?

Senator HIGGS.—That communication has already been received.

Senator Sir JOSIAH SYMON.—The other House has set a bad example, which we need not follow.

Senator HIGGS.—Exactly. Having placed upon record our views with regard to our rights under section 53 of the Constitution, I hold that every good purpose has been served. I trust that Senator O'Connor will withdraw his amendment to permit of Senator Symon agreeing to the excision of the words I have indicated.

Senator BEST (Victoria).—To a very large extent I am in thorough accord with the remarks of the previous speaker. What the other Chamber has done in respect of this Message really does not concern the Senate at all. It appears to me that, without prejudice, the House of Representatives has adopted a certain line of action which has been communicated to us. That communication has reached us by way of information only, and I agree with Senator Higgs that if it is necessary to take any notice whatever of what we may call the exordium, or preamble, or padding of the

Message, the more dignified plan is simply to place upon record our view that what we have done is in accordance with our constitutional rights. I had formulated an amendment which I intended to move, because I must confess that I like neither the amendment by Senator Symon nor that by the Vice-President. My own view is that we should simply place upon record our view that the action of the Senate in repeating its requests is perfectly in accordance with its constitutional rights. I do not think that any honorable senator entertains a doubt as to what those constitutional rights are.

Senator FRASER (Victoria).—I should be perfectly willing to agree to the adoption of the course suggested but for the fact that a Message has been sent to this Chamber in certain terms. I think, therefore, that the proper course for the Senate to adopt is to send back a Message in reply.

Senator HIGGS.—To hit back.

Senator FRASER.—I do not mean to hit back in an aggressive way, but in a respectful way. Otherwise the procedure will be lop-sided. To make it perfect, a Message should be sent back to the other Chamber from this House.

Senator PEARCE (Western Australia).—I should like to join with Senator Higgs in asking the Vice-President to withdraw his amendment in the interests of the Senate itself. The Message from the House of Representatives seems to suggest a doubt in regard to our constitutional rights, and by accepting the amendment which has been submitted we shall imply that we entertain a similar doubt. On the other hand, the conduct of the other Chamber in transmitting this Message has been condemned. Why then should the Senate follow the bad example which has been set? The wiser course would be to withdraw both amendments. Both are unnecessary. The Senate established its constitutional position when it transmitted its second Message to the other Chamber. It did so in such a manner as to give the public to understand that we knew our constitutional rights and intended to enforce them. No matter how the House of Representatives may attempt to qualify its Message, it has undoubtedly established a precedent. To my mind, the better course would be to withdraw both the amendments. At any rate the Vice-President's amendment should be withdrawn, and that by

Senator Symon should be altered in such a way as to constitute merely an expression of opinion by this House.

Senator Sir JOSIAH SYMON (South Australia).—If the Vice-President of the Executive Council will temporarily withdraw his amendment, I will at once withdraw the last portion of my amendment.

Amendment of the amendment, by leave, withdrawn.

Amendment (by Senator Sir JOSIAH SYMON) agreed to—

That the amendment be amended by the omission of the words "and that this resolution be communicated by Message to the House of Representatives."

Amendment (by Senator O'CONNOR) negatived—

That the amendment be amended by the omission of all the words after the word "House," line 1, down to and including the word "Senate," line 6, with a view to insert in lieu thereof the following words—"Having regard to the fact that the public welfare demands the early enactment of a Federal Tariff, refrains from the determination of its constitutional rights and obligations in respect to the House of Representatives' Message of the 4th September, 1902, and resolves to take it into consideration forthwith."

Resolved—That Message No. 59 of the House of Representatives, in reference to the Senate's requests on the Customs Tariff Bill, be printed and taken into consideration on Tuesday, 9th September, this House affirming that the action of the House of Representatives in receiving and dealing with the reiterated requests of the Senate is in compliance with the undoubted constitutional position and rights of the Senate.

Resolved (on motion by Senator O'CONNOR)—

That so much of Message 59 of the House of Representatives as refers to the requests of the Senate and the Customs Tariff Bill be referred to the committee of the whole.

In Committee:

Item 77. Mangles *ad val.* 20 per cent.

Senate's Request.—That the duty be 10 per cent.
House of Representatives' Message.—Duty made 12½ per cent.

Motion (by Senator O'CONNOR) proposed—

That the further amendment made by the House of Representatives be agreed to.

Senator Sir JOSIAH SYMON (South Australia).—Earlier in the afternoon I intimated the spirit in which, when we had dealt with the Constitutional question, I should approach that part of the Message which relates to our requests in regard to the Tariff. I referred to the duration of

the discussion upon the Tariff, the uncertainty, the disturbance of trade, and the difficulties, affecting both individuals and the States, which have been created, and to other considerations, which, unless we were driven by irresistible pressure, would lead us to view favourably any determination of the matter. The Tariff contains sixteen divisions, and 136 subdivisions, and deals with some thousands of articles. The differences between the two Chambers in regard to this multitude of details were reduced when our last Message left the House of Representatives to 28, which were the subject of what I may call reiterated requests. As to fourteen of these, one amendment has been made absolutely, and thirteen with modifications. As to the exemption of articles for the official use of the Governor-General and State Governors, that, although a question upon which I and some of my friends felt strongly, is neither a party nor a fiscal one. I voted in support of the proposal of Senator Playford, who sits behind the Government, to do away with the exemption, because I consider it vicious in principle, and that good or bad, the subject should be dealt with, not in a Tariff, but by direct legislation, or in some other way which would enable the people to know exactly the nature of the concession which they are giving. If Senator Playford insists upon striking out the omission, I shall vote with him, but otherwise I shall be content to drop the matter. The compromises which have been offered in respect to the thirteen requests which have been complied with with modifications have been conceived, not in a liberal, but in what I might call, without using a harsh word, a huckstering spirit. The duty upon mangles was originally 20 per cent. We asked that it might be made 10 per cent. The House of Representatives thereupon agreed to make it 15 per cent., and as we insisted upon our request that it be made 10 per cent., they now offer us 12½ per cent. I think that that is paltry.

Senator PLAYFORD. — They have given way to the extent of 7½ per cent., and they ask us to give way to the extent of 2½ per cent.

Senator Sir JOSIAH SYMON.—It was not worth while to make two bites of a cherry. I hold that we should not view these matters in a narrow spirit, and the party with whom I have been acting have dealt fairly and in a large-minded way with

the items which we have challenged. I am prepared to accept a compromise of 12½ per cent. upon machinery and manufactures of metals. In some instances the duties upon machinery were originally 25 per cent., but they have now been reduced, through the efforts of the friends of the industrial and producing classes in both Chambers, to 12½ per cent., and I sincerely hope that the relief will benefit those whose interests we have had at heart. As to the remaining fourteen items, we must ask ourselves whether we are justified, for the sake of so few details, in a Tariff affecting thousands of articles, to prolong the present condition of affairs. Six of the duties deal with agricultural products and groceries. Those for whom I am speaking have always held that no revenue is to be expected from those duties, except in years of distress. In the next place I think that almost by common consent it is a mere farce to talk of their being protective in the sense of giving any direct encouragement to the growers of these different things. Therefore, I do not propose that we should press the amendments requested by the Senate in respect of these six items. Still, I express my deep regret at their presence in the Tariff. I think they are a blemish on the first Australian Tariff, because they are food and fodder duties, because they are not productive of revenue, and because, even from the point of view of protectionists, they will be entirely unavailing. We hope that all the articles to which they relate will be produced abundantly, not only for our own consumption, but for export to other less-favoured countries. Of the remaining eight requests, which include two or three of more or less minor importance—such as cement—which I need not enumerate, there are only three relating to duties the existence of which I shall lament if I am obliged to leave them, as I really think they are, instruments of extortion from the poor consumers of this country. I refer to our requests that the duty on apparel should be reduced from 25 per cent. to 20 per cent.; that the duty on hats and caps should be reduced from 30 per cent. to 25 per cent.; and that the duty on hats and caps, sewn, should be reduced from 30 per cent. to 25 per cent. I have anxiously considered the position as to these three items, and I frankly confess that I have been exceedingly unwilling to refrain from asking that the requests of the

Senate be pressed. In considering these three requests, which substantially are the only ones left, we have to remember, however, that, on the one hand, the margin of the benefit to the consumer would not be large. The difference in each case is only 5 per cent. Having regard to the 10 per cent. added to the invoice cost, the difference, from our point of view, is equivalent to about 7 or 7½ per cent., and it is not a large margin in relation to hats and caps, which are probably sold at 2s. 6d., 3s., 4s., and upwards. Therefore, from the point of view of the consumer, I ask myself—"Is it seriously worth fighting to secure so small a margin of benefit as this?" If we had requested a reduction of the duty on hats and caps from 30 per cent. to 20 per cent., I should have counselled the pressing of the request. On the other hand, there are two solid advantages to be gained from what I think is the exaction—robbery some people call it, although I shall not do so—by which the manufacturer in Victoria gains considerably at the expense of the revenue.

Senator Sir FREDERICK SARGOOD.—And to the detriment of the consumer.

Senator Sir JOSIAH SYMON.—And, of course, to the extent to which the margin is excessive, to the detriment of the consumer. That is the most serious aspect of it. But this Tariff is not final. If our requests are not pressed, Senator Higgs will have the satisfaction of seeing silk hats and workmen's hats each bearing duty at the modest rate of 30 per cent. I hope that workmen will be found grateful that the hats and caps which they use are subject to the same rate of duty as the silk hats, which my honorable friend said were used only by swells and others who could afford to pay a high duty. This is the point of view from which I regard the last three items with which we have to deal. For these reasons, I and most honorable senators on this side will be found refraining from voting for a further insistence upon our requests—certainly in regard to the three which are really the last that are left in the controversy between the Senate and another place. That, I think, is a fair position. It is a position which I take up for the reasons which I have already indicated, and I hope the result that may flow from it will be that the period of uncertainty which has existed up to the present time may be brought to an end,

and that we shall have a Tariff which—although it satisfies no section of the community, no party in Parliament—will at all events satisfy our aspirations thus far: that it will afford a stimulus for reform and remedy before a very long time has elapsed. I trust that the Tariff which will then eventuate will be one which will not only satisfy all classes of the community, but impose the least possible burden upon consumers who are least able to bear them.

Motion agreed to.

Item 68. Socks and stockings, cotton, *ad valorem*, 10 per cent.

Senate's Request.—That the word "cotton" be omitted, and the duty fixed at 15 per cent.

House of Representatives' Message.—Item amended to read, "Socks and stockings, woollen, or containing wool. . . . *ad valorem*, 15 per cent.

Motion (by Senator O'CONNOR) proposed—

That the modification of the Senate's request made by the House of Representatives be agreed to.

Senator BARRETT (Victoria).—I desire once again to call the attention of the leader of the Senate to the position in which the hosiery industry is placed under this duty. I have from the first urged that it should be protected.

Senator Lt.-Col. GOULD.—It is protected fairly well.

Senator BARRETT.—I do not think it is. A margin of 10 per cent. is really no protection. This is simply a revenue duty, and the position is that a splendid industry is to be sacrificed for the sake of 5 per cent. Originally socks and stockings were placed under the heading of attire, and made liable to a duty of 25 per cent.; a clear margin of 15 per cent. between the manufactured articles and the raw material being allowed for the benefit of those engaged in the industry. These socks and stockings were subsequently taken out of the category of apparel, and now bear a duty of 15 per cent. Against that protection there is a duty of 5 per cent. on the raw material—yarns—which allows a margin of only 10 per cent.

Senator CHARLESTON.—That is nearly as much as is allowed to the manufacturers of machinery.

Senator BARRETT.—I am not satisfied with the compromise that has been made with regard to the duties on machinery. They will afford scarcely any protection,

and if the present proposals are accepted the industry will have to go. I know that at the present stage the responsibility for the existence or destruction of the hosiery industry rests upon the leader of the Senate. The margin of 10 per cent. is utterly insufficient, and if the Government accept this proposal the industry will be killed at once. It is for that reason that I desire again to draw Senator O'Connor's attention to this item. The duty should be increased to 20 per cent. in order to make the protection effective. I hope that, even at the cost of having to send another request to the House of Representatives, the industry will not be sacrificed, and that the Minister will give the matter further consideration.

Motion agreed to.

Item 78. Manufactures of Metal, viz. — Agricultural, horticultural, and viticultural machinery and implements, n.e.i. . . . Engines, gas and oil, and high-speed engines and turbines . . . Engines . . . Boilers, pumps, machines, and machinery, n.e.i. . . . Mining Machinery, n.e.i., *ad valorem*, 15 per cent.

Senate's Request.—That the duty be 10 per cent.

House of Representatives' Message.—Duty made 12½ per cent.

Motion (by Senator O'CONNOR) proposed—

That the modification of the Senate's request made by the House of Representatives be agreed to.

Senator MATHESON (Western Australia).—The few words which I desire to say might be applied equally well to all the items covered by the Message, but I thought I should wait until we had reached the consideration of the duty on mining machinery before explaining my position. I extremely regret that in the present circumstances honorable senators do not see their way to insist upon the requests made in the last Message which we sent to another place. I frankly recognise that in the present state of the country, and having regard to the fact that a Commonwealth Tariff must be passed if possible before the end of the year, we should probably incur a good deal of blame if we insisted upon the requests which I think should be insisted upon. But there is no doubt that having debated these items at great length, and arrived at the deliberate conclusion that these reductions should be made, the logical course for us to have followed would have been to insist upon our requests. We should have taken the consequences, and left the verdict in the hands of the country. That

is my feeling, and if there had been a sufficient number of honorable senators holding the same view, I should have joined in insisting upon our requests, and throwing upon another place the responsibility of refusing to make them. There is one redeeming feature of the present position, and I wish to impress upon the committee, as well as upon the public generally, that in deciding upon the action which I shall adopt I have been very strongly influenced by the reason which was mentioned by Senator Symon -- that within the next eighteen months this Tariff must again go before the country. What will the position then be? Taking them altogether, the people of Australia are groaning under this Tariff.

Senator PLAYFORD.—Nonsense!

Senator MATHESON.—In every part of the States that I have visited I have found the people groaning under the Tariff, and for eighteen months this incubus is going to be allowed to lie heavily upon them. This Tariff will lie heavily upon the consumers, and they are the voters. What will be the result? Month after month the present Government will become more unpopular, and this Tariff will become more unpopular.

Senator PLAYFORD.—It is the local Tariff of Western Australia that is causing the trouble.

Senator MATHESON.—The result, without a doubt, will be that within eighteen months we shall be within reasonable reach of a new Tariff, and of a Tariff which, as Senator Symon has pointed out, will be more likely than anything we can do to-day to meet the requirements of the country. Therefore I feel impelled to allow these matters to pass. It is of no use for honorable senators to pretend that they do not know that the country objects to this Tariff. The consumers in the country do object to it, and no one can read the newspapers published in any part of Australia without realizing that that is a solid fact.

Senator WALKER.—It has made federation unpopular.

Senator MATHESON.—As the honorable senator truly says, it is one of the few things which has made federation unpopular. Senator Barrett has just told us that if the duties now proposed upon machinery are agreed to, the manufacturers will be ruined. But we take an exactly opposite view, and we say that the industries which employ

this machinery will be ruined by the existing rate of duty. I can therefore say, without fear of contradiction, that this Tariff pleases nobody. Under the circumstances, I regret that I cannot see my way as I should like to do, to insist upon the repetition of our requests upon these items, and I must simply leave the matter as it stands.

Senator STYLES (Victoria).—I think that if there is any groaning at all it must be in Western Australia, where they have a Tariff imposing duties upon Inter-State produce. So far as Victoria is concerned, if the people are groaning, it is because the duties have been reduced.

Senator MATHESON.—The consumer is not.

Senator STYLES.—The consumer did not groan very much in Victoria when he had to pay 25 per cent. and 35 per cent. of duty upon his machinery. I regret, not that the Senate does not propose to adhere to its requests, but that the other Chamber has been weak enough to compromise in this matter, seeing, as will be found later on, that a duty of 15 per cent. is quite low enough. Of course our friends the importers would like to see all duties abolished. But, after all is said and done, speaking of this particular duty upon machinery, I have heard free-traders proclaiming from the house-tops in season and out of season that they would never grumble so long as it did not exceed 15 per cent. A duty of 12½ per cent. upon machinery is simply a revenue duty; it is not a protective duty.

Senator CHARLESTON.—Then the free-traders have won.

Senator STYLES.—The free-traders have won so far as this Chamber is concerned, but it is a temporary victory that will cost them dear later on. The leader of the Opposition is laughing, but when he has to come up for election in eighteen months' time he will not laugh. I am reminded that the honorable and learned senator will not require to go up for election in eighteen months, but we do not know whether he may not have to go up for election in eighteen weeks, let alone eighteen months.

Senator Sir JOSIAH SYMON.—I should be very glad to go in eighteen weeks.

Senator STYLES.—I should be very glad if the honorable and learned senator did go. This is a revenue Tariff and not a

protective Tariff, and the people of Australia will not be satisfied with it. I quite believe, with Senator Matheson, that in eighteen months' time the question before the Commonwealth of Australia will be that of protection and free-trade once more, and with special reference to the duties upon machinery which we are now discussing. I am not satisfied with this as a protectionist Tariff upon machinery, but, as we all know, it is now too late to alter a single line or word in the duties. Honorable senators opposite are very jubilant about their victory. They are proud to think that they have succeeded in destroying some Victorian industries, and that hundreds and thousands of men will be thrown out of employment in the next year or two in consequence of their action in regard to this Tariff. In connexion with the manufacture of machinery men have worked up large industries here, and something like £1,200,000 have been invested in factories for making and repairing machinery. But honorable senators opposite do not care two straws if the men who have invested that capital should lose it, and if half the people employed should be thrown out of employment. The great importing industry will flourish, and that is all they care about. I join with others who have spoken in hoping that a Tariff of some kind will become law at once—that the people of the Commonwealth may know what they have to expect. I do not think the consumers worry themselves very much about it. There may be some concern in Western Australia about a duty upon tinned milk and silk hats, but as a rule the consumer does not trouble himself very much about the Tariff, and it is only those who are interested in importing and manufacturing articles who are greatly interested. The sooner the Tariff becomes law in some form the better it will be for a large section of the people."

Motion agreed to.

Item 78. Electrical machinery, *ad valorem*, 15 per cent. Electrical appliances, *n.e.i.*, *ad valorem*, 15 per cent.

Item 79. Rails, fish-plates, fish-bolts, tie plates, switches, points, crossings, and intersections for railways and tramways, *ad valorem*, 15 per cent.

Item 80. Rolled iron or steel beams, channels, joists, girders, columns, trough and bridge iron or steel, not drilled or further manufactured; shafting, cold rolled, turned, or planished; also bolts and nuts, *ad valorem*, 15 per cent.

Senate's Request.—That the duty be 10 per cent.

Senator Styles.

House of Representatives' Message.—Duty made 12½ per cent.

Motion (by Senator O'CONNOR) agreed to—

That the modification of the Senate's request made by the House of Representatives be agreed to.

Item 84. Oils, solar oil, residual oil, naphtha, benzine, benzoline, gasoline, per gallon, ½d.

Senate's Request.—Add to special exemptions, "solar oil, residual oil."

House of Representatives' Message.—Duty on solar and residual oil made ½d.

Motion (by Senator O'CONNOR) proposed—

That the modification of the Senate's request made by the House of Representatives be agreed to.

Senator PULSFORD (New South Wales).—In connexion with this item, the Government propose to reject our request that solar oil and residual oil should be put upon the free list, and they offer a reduction of the duty from ½d. to ¼d. per gallon. This is an item upon which the Government might very well have met us and accepted our request. When the duty upon such an article as liquid fuel is reckoned at a price per gallon, we fail to see how heavy it is as a matter of *ad valorem*, and we fail to recognise how easily a business that might be advantageous to the country may be stopped. I am prepared to accept the compromise suggested of ¼d. per gallon on solar oil. But I ask that as regards residual oil the matter may be reconsidered, and that it may be placed upon the free list. I am, therefore, prepared to move that we do not press our request as regards the solar oil, but that we repeat our request that residual oil should be placed upon the free list.

The CHAIRMAN.—I shall put the motion in two parts. First, as regards solar oil, and then as regards residual oil, and in that way a vote may be taken upon each.

Senator O'CONNOR.—I hope the honorable senator will be serious. Surely, he does not mean that he will be prepared to send back this Tariff to the other House for the sake of an item of this kind.

Senator PULSFORD.—I have not done yet. I have other proposals to make.

Senator O'CONNOR.—I rise only to express the hope that the honorable senator will really take this question seriously, and remember that we have to get through this Tariff. I hope he will not think it necessary to speak at any greater length than is absolutely essential.

Senator PULSFORD (New South Wales).—When the Tariff was originally introduced, Senator O'Connor made very much the same remarks. He desired us then to swallow the whole thing in a lump and have done with it. During its discussion in committee remarks of the same kind were made, and now when but a few items remain to be settled it is but natural that the honorable and learned senator should repeat his request that we should cease opposition. If there is one thing I am anxious to do, it is to remove some of the blots on this Tariff which disfigure the Ministry so much in the minds of the people. I have no intention of prolonging the debate upon this matter. Every member of the committee knows thoroughly well how desirable it is that this item of residual oil should be placed on the free list.

Motion agreed to.

Item 15. Paraffine wax, beeswax, and Japanese or vegetable wax, also lard and refined animal fats, per lb., 1d.

Senate's Request.—That the duty be reduced to 4d.

House of Representatives' Message.—Duty made 4d.

Motion (by Senator O'CONNOR) agreed to—

That the modification of the Senate's request made by the House of Representatives be agreed to.

Item 5.—Tobacco, viz. . . . Cigars, including the weight of bands and other attachments, per lb., 6s. 3d. and 15 per cent. *ad valorem*.

Senate's Request.—That the duty be 7s. per lb.

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) proposed—

That the request be not pressed.

Senator PULSFORD (New South Wales).—This is a very simple matter, in which the Government in another place might easily have given way. There is no question of protection or revenue involved, but simply a matter of business usage. I see no reason why the Government should place themselves in direct antagonism to the ways and customs of an important trade, simply as a matter of policy from which no advantage whatever will result. The Minister for Trade and Customs seems to be trying to make himself as obnoxious as he can to the trading community, and to be fulfilling very much the functions of a "bull in a china shop." Wherever commerce can be

tortured it seems to be a joy to the Minister to administer torture.

Senator O'CONNOR.—That is the way in which men talk who are not fit to black the boots of the Minister for Trade and Customs.

Senator PULSFORD.—Senator O'Connor suggests that I am not fit to black the boots of the Minister for Trade and Customs.

Senator O'CONNOR.—I did not say that.

Senator PULSFORD.—My little finger knows more of trading and trade usages than does the Minister for Trade and Customs. It is admitted that from this item there is no revenue—that the proposals of the Senate would yield as much revenue as will the proposal of the Government.

Senator O'KEEFE.—There is a matter of principle involved.

Senator PULSFORD.—The principle is one of trade customs; and the Government have fallen foul of the cigar business for no purpose whatever.

Senator O'KEEFE.—It is sought to make the higher-priced article pay the higher duty.

Senator PULSFORD.—The whole of the duty equals about 140 per cent., and 125 per cent. is levied in the form of specific duty, leaving a balance of 15 per cent., which is not worth talking about. I trust the Senate will insist on its request.

Senator HIGGS (Queensland).—I cannot allow the observations of Senator Pulsford in regard to the Minister for Trade and Customs to pass unchallenged.

Senator Sir JOSIAH SYMON.—They were challenged by Senator O'Connor.

The CHAIRMAN.—The observations of Senator Pulsford were not relevant, and I drew the honorable senator's attention to that fact.

Senator HIGGS.—The misfortune is that Senator Pulsford thought it necessary to utter such a slander on the Minister for Trade and Customs.

Senator CHARLESTON.—The Minister for Trade and Customs is capable of taking care of himself.

Senator HIGGS.—I believe that he is. It is fortunate for the Commonwealth that there is at the head of the Customs department a gentleman like Mr. Kingston, who is endeavouring to do his duty in a very difficult position.

Motion agreed to.

Item 10. Bacon and hams, partly or wholly cured, per lb., 3d.

Senate's Request.—That the duty be reduced to 2d. per lb.

Item 14. Butter and cheese, per lb., 3d.

Senate's Request.—That the duty be reduced to 2d. per lb.

House of Representatives' Message.—Amendments not made.

Motion (by Senator O'CONNOR) agreed to—

That the requests be not pressed.

Item 22. Grain and pulse, n.e.i., per cental 1s. 6d.

Senate's Request.—That wheat be placed on the list of special exemptions.

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) proposed—

That the request be not pressed.

Senator Lt.-Col. GOULD (New South Wales).—This matter has been debated over and over again, and in the Senate there has always been a good majority in favour of making wheat free, and of dealing liberally with the fodder duties. I cannot help expressing my deep regret that the Government have been so persistent in regard to the duty on wheat and the fodder duties generally, and have paid so little regard to the earnest wishes of, at any rate, two large States. I am perfectly well aware that under ordinary circumstances these duties have no effect—that they come into operation only in times of depression and difficulty such as we are now experiencing. There seems a disinclination in the committee to divide on any of the requests, and that places a man who feels strongly in a very awkward position when he has to determine the exact course he ought to take. The present position redounds to the credit of neither the Government nor of Parliament seeing that it is proposed to allow men engaged in the natural industries of the country to be victimized as they are under the present Tariff.

Senator O'KEEFE.—The States Governments can return the duties to the consumers.

Senator Lt.-Col. GOULD.—We were told originally that this was to be a Commonwealth of brotherhood, and that each State would do all it could for the other States. We were never made to realize the possibility of one great State being victimized for the benefit of one or two others, and that the victimization would be carried to the very greatest possible extent. I much deplore

that throughout there has been an exhibition of callousness towards some of the States of the Commonwealth.

Senator STYLES.—Towards the farmers of Victoria.

Senator Lt.-Col. GOULD.—Senator Styles tells us, in effect, that the farmers of Victoria are prepared to victimize the whole pastoral industry to the fullest possible extent. At any rate, there has not been anything like fair and reasonable consideration for the great pastoral industry in a time of drought and difficulty, when flocks in one State alone have sunk from over 60,000,000 head to something like 30,000,000 head. Senator Styles now contends that the farmers of Victoria should take advantage to the full of the wretched position of the unfortunate pastoralists.

Senator FRASER (Victoria).—I quite agree with the remarks of Senator Gould, and must express surprise that the Government, on this item, have not risen to the occasion. What would be said at the present moment if the Government proposed to put a duty on meat? There would be such a howl in Sydney and Melbourne that no Government would stand against it for an hour. We all admit that the duty on wheat and fodder has no effect in a normal time—that is the hollowness of the whole thing.

Senator PLAYFORD.—It is "hollowness" on the honorable senator's part—it cuts both ways.

Senator FRASER.—It cuts only one way, and that very severely at the present moment. The duty has a tendency to demolish millions of stock; animals are perishing wholesale.

Senator PLAYFORD.—For want of wheat!

Senator FRASER.—Yes, for want of wheat. Tens of thousands of bushels of wheat have been consumed by sheep. I have bought thousands of bushels of wheat and maize, which I find a good article of diet for stock, even for horses, when given with care. At the present moment there are large ships laden with frozen meat leaving New Zealand for Sydney and Melbourne, and other Australian ports. Does that not tell a tale? What will be the result of the fodder duties some time hence when we have to face a summer of five or six months' duration? I dread that result; and I think the Government ought to bear any odium which attaches to the continuance of this duty.

Senator HIGGS (Queensland).—Senator Fraser has given the committee the benefit of his observations with regard to a duty on meat. He ridiculed the idea of imposing a duty on this article of consumption in view of the present ruling rates; and he went on to describe the disasters which had overcome Australia through drought. He particularly referred to the injury done to the squatting industry. But I want to ask the honorable senator why he tells the general public one tale, and tells the committee another? I find in the *Age*, of 29th August, 1902, a report of a meeting of the Squatting Investment Company Limited, held at Menzies' Hotel. The report is headed—"Pastoral prospects; a reassuring picture." It says:—

Mr. Simon Fraser, M.P., presided over the usual half-yearly meeting of the Squatting Investment Company Limited, held at Menzies' Hotel, yesterday. In moving the adoption of the report, which stated that the 1901 wool clip had realized a surplus of £2,091 over the estimated value placed on it in the last balance-sheet, the chairman said the company had done ever so much better than he could have supposed or expected at all, and he had had 34 years experience of Queensland.

Senator MATHESON.—That is an exceptional property.

Senator HIGGS.—There are many like it. Senator Fraser went on—

Since August, 1901, they had had no rain to speak of—only some 2½ inches on their property. In November last they had had 32,000 lambs as the result of the lambing season, which were now going through the sheds, and this was mainly due to the fact that the abundance of bore water and the fine quality of the land produced such plentiful herbage that, though no rain fell, it lay all the year on the ground practically as preserved fodder. Next month, in all probability, they would get the early thunderstorms of summer in Queensland, though in New South Wales the time for probable rains was fast passing away. Notwithstanding the big lambing, they had had a second one—compelled by dire necessity. The first had been a great success, but, of course, in the second a large proportion of the sheep—roughly 40 per cent.—had proved barren ewes. The second lambing had yielded from 22,000 to 23,000 lambs.

They had been using "delvers," a kind of scoop, to distribute the water into all sorts of out of the way places, and had done a great deal of that. They had really by that means got into country comparatively out of use, because of its distance from water. He did not look forward to any loss of sheep, except through a continuation of disastrously dry weather. Three years ago the shearing resulted in 4,600 bales of wool; a year later the yield dropped to 1,900 bales, and last year it fell to 900 bales; but this season they expected to get at least 1,100 bales.

For three years they had had no lambs at all, but in comparison with other squatters in Queensland they were infinitely better off than any one he knew. Altogether they still had about 115,000 to 120,000 sheep, and if they should get any rain shortly they would even be able to pay a dividend within a year, because if next year was a favorable one for rain they would run up to 2,000 bales or more. Scoured bales were worth about £25 each—and that soon ran into money.

Senator FRASER.—I said up to £25.

Senator HIGGS.—Then that is a mistake of the press; but the honorable senator went on—

Expenses were being kept down to the limit required for good management, but of course the distribution of water cost something. However, it repaid the cost a hundredfold. They were shearing at Bundaleer, in country where the grass grew right up to the shed doors, and by this time some of the wool was in Brisbane and on the way to London. They had been able to get the lowest freight they had ever got—¾d. per lb.—and as prices in London would probably be very high next year, that would increase the profits.

The company had 250 miles of trenches and drains on its property; in every paddock there was pure, fresh water.

Senator FRASER. — We spent £50,000 cash on that property, and have not had 1 per cent. in 25 years for our money. We should be very glad to sell out.

Senator HIGGS. — Let me remind the committee that Bundaleer station, which Senator Fraser mentioned in connexion with this subject, is on the Queensland border, very near to the country which is supposed to be suffering most intensely from drought. But by means of artesian bores the squatters are well able to keep water in every paddock. In the face of these facts why should Senator Fraser come here and, with a cry of calamity, urge the Government to strike off the duties on fodder? Was the honorable senator, in the speech I have quoted, trying to induce widows and orphans to take shares in the Squatting Investment Company, or was he saying what he really believed to be true? I believe he was speaking the truth, and what is true of the Bundaleer station is true of a great many others, which are able to produce fodder right up to the doors of their sheds, the grass lying on the ground nearly all the year round as preserved fodder. It only requires a few speeches like that which I have quoted to prove to the community how hollow is this appeal on behalf of the squatters. When Senator Fraser asks what is the use of putting

a duty on meat, I put the question to him—What are he and his friends the squatters doing but imposing a duty on meat, when they are keeping from 115,000 to 120,000 sheep on one station, instead of sending some of them to the markets in the South, and bringing down the price?

Senator FRASER.—That is all the honorable senator knows about it; he does not know that sheep cannot travel now, because they would perish before they reached the railway station.

Senator HIGGS.—That is all very well.

Senator FRASER.—The honorable senator is talking of that about which he knows nothing.

Senator HIGGS.—The honorable senator should have spoken about matters which were within his own personal knowledge. He had no more right to speak of others than I have; and he acknowledges in the speech I have quoted that the squatting property in which he is interested has an abundance of food and water. The station referred to by Senator Fraser is in the very midst of a vast extent of country of the same character. It is in the midst of what we understand to be the dry region of Queensland, in the neighbourhood of Charlesville and Cunnamulla. I do not deny that some parts of the country are suffering from drought of a very disastrous character, but when squatters like Senator Fraser make appeals to the Government on behalf of such concerns as the Squatting Investment Company, I should not be doing my duty to the people in the towns if I did not raise my voice in protest. If it were not for such squatters as those referred to, the price of beef and mutton would not be anything like as high as it is now. But some of the squatters would rather see the animals rot on the ground than send them down to the towns and let the poor people get the benefit, although we are asked to take money out of the pockets of the people in the towns who have to pay such high prices for their meat, to assist by means of taxation the Squatting Investment Company and others.

Senator FRASER.—I was appealing on behalf of the farmers.

Senator HIGGS.—This is the first time within my knowledge that any representative squatter has ever raised a cry on behalf of the farmers. The squatters do their best to keep the farmers off the land; they

would not give them an acre if they could help it. They have fought the farmers for every inch of ground they occupy. I trust that Senators Pulsford and Fraser will see their way clear to desist from the course of action upon which they have entered. I am anxious to fall in with the views of the majority in regard to this question, and if the honorable senators referred to will desist from their action, I will promise not to occupy more time upon the Tariff.

Senator FRASER (Victoria).—In referring to the squatting industry, I related to the committee nothing but facts. The Squatting Investment Company has expended £50,000 sterling on artesian bores. I am entitled, with my co-directors, to the credit of having put down the first artesian bores in Australia. We put down the first bore in a cotton bush paddock, near Cunnamulla. That property does not want for wheat. But it is only one out of 10,000. If it were proper for me to make statements here in regard to other Queensland properties in which I am interested, I should have to tell a very different tale indeed. Out of 40,000 cattle upon one station, 30,000 are dead, whilst 4,000 or 5,000 of the balance have had to be removed elsewhere. The tale of the majority of the pastoralists in Queensland is that all their sheep have died. At a property near Aramac I lost 20,000 sheep, and my case is typical of thousands of others.

Senator HIGGS.—Still the honorable senator is a millionaire.

Senator FRASER.—No man can be a millionaire in this weather. I simply rose to contradict the highly-coloured statements which have been made in this connexion—statements which I could not justly allow to pass unchallenged.

Senator MATHESON (Western Australia).—I am really astonished at the way in which Senator Higgs has alluded to this topic and to the pastoral industry in general. He has entirely overlooked the fact that nearly the whole of the money which comes into Australia from foreign parts is derived from the pastoral industry. It represents the proceeds of the sale of wool and meat which have been exported. The receipts from these sources, together with those derived from mining in general, constitute the bulk of the Australian revenue. Yet

we find Senator Higgs calmly dismissing a proposal to abolish the duty upon wheat by a declaration that the only question which it involved is that of the profit which a few men make from the sale of their beasts. If there were any real prospect that the drought had broken up, there might not be so much to be said in favour of the remission of the duty. But those who understand the question most intimately are decidedly of opinion that the drought has not broken up, and therefore to continue to enhance the cost of keeping stock is a very serious matter indeed. What has been the experience elsewhere in connexion with matters of this sort? Until recent years legislation in England made it penal to lock up grain, thereby increasing its price. The proposed duty will not assist the farmers one iota. It will only help those speculators who have been purchasing all the wheat available—an absolutely immoral proceeding—in order that they may trade upon the direst necessities of their fellow creatures. In the old terms of the law, these individuals were called regraters and forestallers. The same practice was resorted to in Egypt when Joseph purchased a lot of wheat in order that it might be retailed to the people at a fair price. His action, however, was prompted by a desire to prevent speculation of the character which we propose to encourage. But there is an additional reason why this request should be again sent back to the other Chamber. When it was believed that this duty could not be swept away, a number of members of the House of Representatives were loud in their professions of sympathy with the farmers and pastoralists. Since then they have had an opportunity of putting their professions into practice, but, strange to say, they refused to support that course of action which would have had the effect of realizing their desire. Therefore, let us give them another opportunity of acceding to our request in the interests of the public. We are face to face at the present moment with a position, the gravity of which cannot be overrated. It is true that we have had a little rain, which has made the grass grow, but unless a further fall takes place that grass will simply shrivel away, and the position of the pastoralist will be very much worse than it would have been had no rain fallen.

Question—That the request be not pressed—put. The committee divided.

Ayes ...	...	...	...	17
Noes ...	...	...	...	3
Majority				14

AYES.

Baker, Sir R. C.	McGregor, G.
Barrett, J. G.	O'Connor, R. E.
Best, R. W.	O'Keefe, D. J.
Dawson, A.	Playford, T.
De Largie, H.	Sargood, Sir F. T.
Dobson, H.	Stewart, J. C.
Drake, J. G.	Styles, J.
Glassey, T.	<i>Teller.</i>
Higgs, W. G.	Keating, J. H.

NOES.

Matheson, A. P.	<i>Teller.</i>
Pulsford, E.	Gould, A. J.

PAIRS.

<i>For.</i>	<i>Against.</i>
Cameron, C. St. C.	Walker, J. T.
Zeal, Sir W. A.	Ferguson, J.
Downer, Sir J. W.	Harney, E. A.

Question so resolved in the affirmative.

Item 23. Grain and pulse prepared or manufactured, viz. . . . n.e.i., per cental, 2s. 6d.

Senate's Request.—That the duty be 1s. 6d. per cental.

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) agreed to—

That the request be not pressed.

Item 24. Hay and chaff, 1s. per cwt.

Senate's Request.—Add to special exemptions.

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) proposed—

That the request be not pressed—

Senator Lt.-Col. GOULD (New South Wales).—It has already been pointed out that this duty presses most heavily upon the industries of the country. Earnest, but unsuccessful appeals have been made to honorable senators to place the item upon the free list. Upon the last division a number of honorable senators who shared my views regarding the need which exists for remitting the duty upon wheat, abstained from voting because they believe that the time has arrived when finality should be reached in connexion with the Tariff. Probably they do not feel so keenly in this matter as do the representatives from New South Wales. To my mind the duty with which we are now dealing is

a duty on meat, I put the question to him—What are he and his friends the squatters doing but imposing a duty on meat, when they are keeping from 115,000 to 120,000 sheep on one station, instead of sending some of them to the markets in the South, and bringing down the price?

Senator FRASER.—That is all the honorable senator knows about it; he does not know that sheep cannot travel now, because they would perish before they reached the railway station.

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Drake, J. G.	Styles, J.
Glassey, T.	<i>Teller.</i>
Higgs, W. G.	Keating, J. H.

NOES.

Matheson, A. P.	<i>Teller.</i>
Pulsford, E.	Gould, A. J.

PAIRS.

<i>For.</i>	<i>Against.</i>
Cameron, C. St. C.	Walker, J. T.
Zeal, Sir W. A.	Ferguson, J.
Downer, Sir J. W.	Harney, E. A.

Question so resolved in the affirmative.

Item 23. Grain and pulse prepared or manufactured, viz. . . . n.e.i., per cental, 2s. 6d.

Senate's Request.—That the duty be 1s. 6d. per cental.

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) agreed to—

That the request be not pressed.

Item 24. Hay and chaff, 1s. per cwt.

Senate's Request.—Add to special exemptions.

House of Representatives' Message.—Amendment not made.

Motion (by Senator O'CONNOR) proposed—

That the request be not pressed—

Senator Lt.-Col. GOULD (New South Wales).—It has already been pointed out that this duty presses most heavily upon the industries of the country. Earnest, but unsuccessful appeals have been made to honorable senators to place the item upon the free list. Upon the last division a number of honorable senators who shared my views regarding the need which exists for remitting the duty upon wheat, abstained from voting because they believe that the time has arrived when finality should be reached in connexion with the Tariff. Probably they do not feel so keenly in this matter as do the representatives from New South Wales. To my mind the duty with which we are now dealing is

more important than are the duties upon hats, caps, and apparel. It will produce no revenue, saving during a period of stress and difficulty, such as I hope we shall not again experience for many years. Whilst it is true that rain has recently fallen in portions of the different States, I would point out that it has not visited some of the worst drought-stricken districts of New South Wales and Queensland, and unless a much greater downfall takes place, the present position will be very much accentuated. However, in the circumstances to which I have already alluded, I recognise that there is only one course for me to adopt, namely, to enter my earnest protest against the action of Parliament in this connexion. It will be my duty, and that of a number of other honorable senators, to try to cause at no remote date a change to take place in the opinions of Parliament, not only in regard to the duties upon fodder, but in regard to other duties with which we have been called upon to deal.

Senator O'CONNOR.—That is a nice prospect for the mercantile community.

Senator Lt.-Col. GOULD.—If there is trouble, the mercantile and manufacturing communities will have the Government of the day and their supporters to thank for it. We believe that we are fighting in the interests, not of any class or section, but of the whole of Australia. Parliament, by its action at the present time, is damaging what is now, and is likely to remain for many years, the greatest industry in the Commonwealth. I cannot take blame to myself for what I fear may result from our action, but I shall consider myself free to do all I can to bring about an alteration in the Tariff, not only in respect to the duties now under discussion, but also in regard to other duties.

Senator PULSFORD (New South Wales).—If there are any persons in the community who would benefit from the acceptance of the amendments in regard to the fodder duties which we on this side have desired to make, they are the members of the Government, who to-day are bearing a heavy burden of blame for the injury which is being inflicted upon a large portion of Australia. I cannot but feel a sinister pleasure in anticipating the time, which I hope will not be very long delayed, when, the drought having ended, prices

will again reach their normal level, and farmers will begin to see how utterly bogus and valueless, are protective duties on agricultural produce. The consequences of the drought to Australia will be more serious than any senator seems prepared to admit. We have not yet felt its full results. One point of view which perhaps is too commonly ignored is the intense suffering which it has entailed upon millions of the brute creation. Sheep have perished and are perishing, not merely in tens of thousands but in millions, and those who have had it in their power to do a little for the alleviation of their sufferings have resolutely, callously, and brutally, refused to allow of the mitigation which the free admission of fodder would have brought about. I deeply regret the position, but I am certain that those who will suffer most from the imposition of these duties will in the end be those who have thought fit to impose them.

Senator DOBSON (Tasmania).—I remained silent for many hours while the existence of the drought in New South Wales and Queensland was being discussed, because I felt that what I had to say might lead some to think that I have no sympathy with the unfortunate squatters and selectors who have suffered so severely, and some of whom have been entirely ruined. I do not, however, think that the accusations which are being made against Ministers by some of my honorable friends opposite, are just. No legislation can bring about prosperity unless it is based upon justice. A Customs Bill which has a protective incidence is in the nature of a contract. The farmer who, in a small State like Tasmania, cultivates 100 acres, or in a large State like New South Wales, 1,000 acres of wheat under a protective Tariff, does so on the faith of the assurance that when he comes to sell his crop he will benefit by the duties imposed upon grain. Although I admit that the hardship which the squatters and farmers in other States have suffered because of the drought is very great, the true remedy lies in the hands of the Governments of the States. If they think, as I believe they might rightly think, that the disaster is so great that it calls for State relief, it lies with them to do all they can to ameliorate it; not with the Commonwealth to alter the incidence of taxation to meet exceptional circumstances. Honorable senators who have blamed Ministers for not proposing

the remission of the duties upon fodder have not looked at the matter from the point of view of justice, upon which all legislation must be based.

Motion agreed to.

Item 46. Rice, viz., n.e.i., per cental, 6s.

Senate's Request.—That the duty be 5s.

Item 58. Apparel and attire, and articles, n.e.i., woollen or silk. not containing wool or silk, *ad valorem*, 25 per cent.

Senate's Request.—That the duty be 20 per cent.

Item 63. Hats and Caps, viz., men's, women's, boy's, and children's felt hats and caps, sewn, *ad valorem*, 30 per cent.

Senate's Request.—That the duty be 25 per cent.

Item 87. Cement (Portland) . . . per cwt., 9d.

Senate's Request.—That the duty be 6d.

Item 136. Explosives, viz., ammunition and cartridges, n.e.i., free.

Senate's Request.—That the duty be 10 per cent. *ad valorem*.

Miscellaneous exemptions—

Senate's Request.—That "Articles imported by and for the official use of the Governor-General or State Governors" be omitted from the Miscellaneous exemptions.

House of Representatives' Message.—That the amendments requested be not made.

Motion (by Senator O'CONNOR) agreed to —

That the requests be not pressed.

Modification of the date of the coming into force of the duties, contained in the Message of the House of Representatives, agreed to.

Title agreed to.

Motion (by Senator O'CONNOR) proposed—

That the Bill, as amended by the House of Representatives at the request of the Senate, be reported without amendment to the Senate.

Senator CLEMONS (Tasmania).—I think that we ought to say, "be reported without further requests," because the Committee has not the power to amend a Bill of this character. In my opinion, the phraseology of the motion is not sound, and we ought to be particular in that respect.

Senator Sir JOSIAH SYMON.—I think that the words "without amendment" should be left out.

Senator O'CONNOR.—Our practice in dealing with the Bill in committee has not been uniform. Until we came to the schedule, the various clauses were treated as

clauses of an ordinary Bill. Then the President pointed out—I think correctly—that the Bill could not be dealt with under the ordinary standing orders, because it is a measure to which they are not applicable, inasmuch as the committee could come to a decision in regard to its provisions only in one way. I think that we all accepted that ruling, but, inasmuch as the Bill has been dealt with partly under the standing orders and partly in accordance with the ruling of the President, it appeared to me that the safer thing to do, in moving that it be reported, was to state exactly what has taken place in committee, in compliance with the standing order which applies to this stage, and which requires that a Bill must be reported either with or without amendments. As the Bill has not been amended, it is an accurate statement to say that it is reported without amendments.

Senator Sir JOHN DOWNER.—Could we not say—"Without further requests for amendments?"

Senator O'CONNOR.—It is unnecessary to say that, because we shall make that clear at a further stage. I agree with honorable senators, however, that it would be more in accord with the provisions of the Constitution if the words "without amendment" were left out.

Question amended accordingly.

Senator Sir JOSIAH SYMON (South Australia).—I am quite sure that Senator Clemons has rightly interpreted the position. The words, "without amendment," are in the standing order, but we need not pay regard to it, because, if necessary, it can be suspended to enable the report to be adopted.

Question, as amended, resolved in the affirmative.

Motion (by Senator O'CONNOR) proposed—

That the Chairman report to the House—

That the Committee have considered Message No. 59 of the House of Representatives, and recommend—That the amendment in regard to Senate's amendment No. 38 be agreed to.

The Modifications of the House of Representatives to Senate's Requests Nos. 36, 39, 41, 42, 43, 44, 45, 46, 58, 59, and 66 be agreed to.

The Modification of the House of Representatives in regard to Senate's Request No. 9, to which that House adheres, be agreed to.

The Requests Nos. 4, 7, 8, 14, 15, 16, 20, 25, 26, 29, 30, 67, 86, and 90, to which the House of Representatives has not acceded, be not again requested.

The Modification as to date from which the amendments now made come into effect be agreed to.

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the remission of the duties upon fodder have not looked at the matter from the point of view of justice, upon which all legislation must be based.

Motion agreed to.

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Senator O'CONNOR.—It is unnecessary to say that, because we shall make that clear at a further stage. I agree with honorable senators, however, that it would be more in accord with the provisions of the Constitution if the words "without amendment" were left out.

Question amended accordingly.

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The Requests Nos. 4, 7, 8, 14, 15, 16, 20, 25, 26, 29, 30, 67, 86, and 90, to which the House of Representatives has not acceded, be not again requested.

The Modification as to date from which the amendments now made come into effect be agreed to.

Sir FREDERICK SARGOOD (Victoria).—As we have practically concluded our consideration of this difficult and long-debated subject, it may not, perhaps, be inopportune for me, as one of the commercial representatives of the Commonwealth, to say that the conclusion of our labour will give the utmost satisfaction to the commercial world and to the public generally. May I also venture to say that I think the Ministry have been exceedingly fortunate in having the Vice-President of the Executive Council in charge of this very difficult measure, and that we, as a Senate, have also been exceedingly fortunate in having such a gentleman in charge of it. With that remark may I also couple the name of Senator Symon, who has devoted an immense amount of time to the Tariff, and has done his best with others to mould the Bill into what we believe to be a better shape than that in which it entered the Senate? The discussion has been carried on throughout with wonderful good temper, and there has been an absence of friction. I only hope that the administration of the measure will also be carried on without friction. It may not have occurred to honorable senators, but I have just been reminded that it is exactly eleven months to-night since the Tariff was introduced in another place. We may all fairly say that they have been eleven months of hard work for both Houses, and although the result as a whole may not be satisfactory to both sides, still a very difficult subject has been handled, and, taking everything into consideration, handled successfully.

Question resolved in the affirmative.

Resolutions reported.

Motion (by Senator O'CONNOR) proposed—

That the reports be adopted.

Senator Sir JOSIAH SYMON.—I desire to know, Mr. President, whether the second report, reporting the Bill as amended by the House of Representatives, can be adopted now? Of course, if necessary, I am sure that we should all consent to the suspension of the standing orders to enable that course to be followed, but I ask whether the second report can be adopted without the suspension of the standing orders. Standing Order 307 lays down the procedure. Of course, the Bill has been amended by the House of Representatives at the request of the Senate.

The PRESIDENT.—Not by us.

Senator Sir JOSIAH SYMON.—Not by us. As we are following a practice applicable to a new state of things, I think it would be well to have your ruling, sir, as to whether Standing Order 307, which permits the adoption of a report being moved immediately, is applicable.

The PRESIDENT.—I think that so far as the standing order applies, if it does apply, we can adopt the report immediately without the suspension of the standing orders. If it does not, then, of course, the Senate can do what it wishes.

Question resolved in the affirmative.

POST AND TELEGRAPH RATES BILL.

Royal assent reported.

ELECTORAL BILL.

In Committee (Consideration of House of Representatives' amendments resumed from 5th September, *vide* page 15812):

Postponed amendments—

Clause 146 (Ballot-paper to be handed to elector)—

Senator DRAKE (Queensland—Postmaster-General).—I move—

That the committee disagree to the amendment omitting the words "he delivers to the presiding officer a voter's certificate," and inserting in lieu thereof the words "his name is on the roll for the division and he makes and signs a declaration as required by section 140A."

This clause is closely connected with clause 140A, and what we do with the amendment will depend entirely upon the decision of the Senate in regard to that clause. I may mention that if a motion is submitted to recommit the Bill for the purpose of reconsidering the amendment relating to clause 140A, I intend to accept it. That will come on to-morrow. I think that in order that the clauses which we shall have to consider to-morrow may be taken in their proper order, and under similar conditions, the best thing will be to disagree to this amendment. I have moved to that effect in order that the question may be dealt with on re-committal.

Motion agreed to.

Motion (by Senator DRAKE) agreed to—

That the committee disagree to the amendment inserting new form R1.

Resolutions reported.

Senate adjourned at 8.43 p.m.

Senate.

Wednesday, 10 September, 1902.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

DEPORTATION OF KANAKAS.

Senator WALKER (New South Wales).—On urgent public grounds, I move—

That the Senate, at its rising, adjourn until tomorrow, at 10.30 a.m.

Senator CLEMONS.—I desire, sir, to have your ruling on the point whether, under standing order 48, it is competent for an honorable senator to move the adjournment of the Senate to discuss two matters of importance, and, if not, whether it is competent, when that motion is withdrawn or disposed of, for another honorable senator, at the same sitting, to move the adjournment of the Senate with regard to another matter?

The PRESIDENT.—According to the practice under these standing orders, which has existed ever since 1857, it is only competent to move one such motion, and it must relate to one matter. The mover must state that it is a matter of urgent public importance, and the Senate has to decide whether it is or not. Does Senator Walker say that it is a matter of urgent public importance on which he desires to move the adjournment of the Senate?

Senator WALKER.—It is a matter of urgent public importance. On the 4th September I put to the Vice-President of the Executive Council three questions, to which I received replies of a somewhat laconic nature, which seemed to show that the Government are not aware of a very important petition which has been forwarded to the King by no fewer than 3,000 South Sea Islanders. It may be in the recollection of the Senate that, on 5th December last, Senator Dobson proposed that the consideration of a certain report should be postponed for nine weeks in order to get further evidence, but that by a majority of 17 to 12 it declined to grant the request, and the Pacific Island Labourers Bill was at once proceeded with. At that time I announced that a petition to the Senate was in course of signature and had been signed by about 1,000 South Sea Islanders. But when they saw that it would come too late, steps were taken to bring their case before

the Imperial authorities. On my return to Australia the other day I received from the secretary of the South Sea Islanders' Association at Bundaberg a letter, a portion of which I propose to read. Of course, after the meeting of the Senate in December last, I wrote to the correspondent, stating what I had said, and, therefore, the letter, which is dated 26th July, bears reference to my letter—

Your letter of 9th December I duly received. Many thanks. I laid it before our solicitors, and they decided to petition the King for the kanakas, as they concluded that it would avail but little to petition the men who had just formulated the Bill relating to the South Sea Islanders. We got more than 3,000 names to the petition, some of those being more than 40 years in the State, and it has been sent off in good form through our Queensland Governor. If I were sure of success in that direction I would wait the result, but I think that any good that will come to the kingless kanaka will come through your Houses of Parliament. I am of this opinion because I think that the Home Government or King will not upset laws made in Australia, owing to their patriotism to the Empire and assistance to the South African war. They may recommend something, perhaps to allow those boys who are here a certain number of years to remain. I am also of opinion that your Government would never have made such drastic laws with reference to the South Sea Islander had they been in possession of existing facts. Going over Southern Queensland twice since November last, Brisbane and Rockhampton included, visiting most of the plantations and centres where kanakas were settled, I am in possession of knowledge which it would be well for those to attain who acted without counting fair play for their coloured brothers, who did not come here, but were brought here to satisfy the desire for gain of capitalists, and are now denied standing room. Large numbers of the boys have had to go home or starve owing to the drought, and the prohibitive law against those who would employ them and cannot. Whatever will be done with reference to the petition will have to be finally settled twelve months after the edict went out, so I thought it would be well to remind you of that fact. I am inclosing cuttings from the *Courier* which you may not have seen, and hope you may have time to peruse. Very many people have taken up the cause. We are in good company.

It is not necessary for me to read more than that portion of the letter.

Senator O'CONNOR.—What is the name of the secretary?

Senator WALKER.—The name is Mrs. Fanny Nicol. I scarcely believe that the Senate would like to hear the whole of the petition read, but there are some paragraphs of it with which I think it should be made acquainted. It begins as follows—

To His Most Excellent Majesty, Edward VII., by the Grace of God of the United Kingdom of Great Britain and Ireland, and of the British

Dominions beyond the Seas, King, Defender of the Faith, Emperor of India.

Your Majesty's humble petitioners, certain "Pacific Island Labourers," domiciled in that portion of your Majesty's dominions known as the State of Queensland in the Commonwealth of Australia, present their humble duty to your Majesty, and beg to submit to your Majesty this their humble petition, which sheweth that—

Beginning at paragraph 8, the petition says—

Many of us have learned to read and write, and have long since ceased to work in service, and have acquired leasehold lands, which we have improved and built upon, and are now engaged in gardening, fruit-growing, fishing, boat-building, rough carpentry, net-making or mending, shop-keeping, hawking, and such like occupations.

9. Many of us have been continuously resident in Queensland for upwards of 20 years, and during these years our parents and brothers in the islands have died, and we are forgotten there; villages have disappeared, and some of our tribes have been exterminated. We love the land in which we live, and all our friends are here. In some instances the islands from which we were brought have passed under foreign protectorates, and tribal lands have been appropriated or sold by our chiefs.

10. Many of us have been married in Queensland churches to women belonging to islands and tribes with whom our tribal law would not permit us to marry. If we took our wives to our old home they would be killed, as also would we if we went to theirs.

11. Many of us are Christians, and yet some of our islands are entirely heathen and cannibal. If we are sent back to such we shall be killed, or have to deny our religion.

12. Many of us have children who for years have attended the State-schools of Queensland and the Sunday-schools. They are free born, and we thought that we had attained at least such freedom as is enjoyed by other coloured aliens who came to Australia.

13. Many of us came to Queensland after hearing from returned islanders all that they understood of British law and freedom. We were tired of the cruelty and bloodshed of our chiefs. We were told that after the three years' service under our agreements we could stay in Queensland, and choose our own employers, and demand better wages if we pleased. The Government agents also told us that this was the law of Queensland. It was the law, and we have bought that freedom under British law of Queensland and by contract.

14. Queensland is our domicile of choice, and none of us, your Majesty's humble petitioners, is willing to be sent away in manner enacted by recent law of the Commonwealth. We are as law-abiding, honest, sober, and industrious as the white colonists, and as loyal and attached to the throne and person of your Most Excellent Majesty, but we are a weak people, and have no consular officers to plead our cause in the courts of your Majesty, and we are poor.

In another paragraph they recite what they find fault with in the Act as follows:—

16. The powers enacted by the Pacific Island Labourers Act of 1901 were not possessed by the

Senator Walker.

Government of Queensland, and that Government recognises that they are not in accordance with the rights acquired by the islanders, and we humbly submit to your Majesty that—

- (a) They give no security or assurance as to the place to which we may be sent.
- (b) They provide for no compensation.
- (c) They affect islanders, many of whom have been domiciled in Queensland for upwards of twenty years, and who have learned to read, write, speak, and think only in English.
- (d) They afford no differential treatment for those who for many years have professed and practised Christianity, or for those who have married and whose children, born in Queensland, are of ages varying from infancy to twenty years and upwards.
- (e) They make no provision for those whose native islands have passed under foreign control, or whose tribal lands have been alienated.
- (f) They provide no time within which free islanders (not working under an agreement) may endeavour to realize their investments. Thousands of pounds of their savings have been lent on mortgage by agents whom they trusted. Such islanders may be arrested at any time and sent away from Australia by order of a police magistrate. Their money, which English law taught them to consider as secure, will be lost, or, if taken or sent to their islands, will be annexed by the tribal chief.
- (g) They give islanders no voice as to the place to which they may be sent.

No doubt the Government would try to send them where they liked to go, but where they are to be sent to is not mentioned in the Act.

- (h) They are applicable to all Pacific islanders alike, excepting only those who have continuously resided in Queensland since September, 1879, and who have got exemption tickets, and those employed as part of the crew of a ship. They apply to native missionaries—

Numbers of these men are missionaries who came over with the islanders.

teachers and hospital attendants working amongst their brother islanders in Queensland. Many hundreds of the islanders were unable to obtain these exemption tickets on or before 1st September, 1884, and could not legally obtain them since that date.

- (i) They will plunge us back in the barbarism which we were induced to leave, and will involve for hundreds if not thousands of us misery, starvation, or death.
- (j) They are powers which have never been exercised in any British country against peaceable inhabitants who have been induced under the law of

the country to become domiciled therein. America never thus treated its alien races.

- (k) They are contrary to the spirit of English common law, and of freedom, justice, and mercy, and are an invasion of contractual obligations entered into by a powerful nation with the helpless people of the Pacific Islands.

They finish in this way—

17. In our deep distress we approach Your Majesty in the only way we know of mercifully provided by the Constitution for all those who have become domiciled under the flag.

18. Those of us who are unlearned have conversed with the interpreters, teachers, and friends who live amongst us, and we know all the facts and supplications which appear in this our petition. None of us has been offered any inducement or threat to lead to our joining in this islanders' prayer, as those who have witnessed our signatures testify. Your suppliants therefore humbly pray that Your Majesty may be graciously pleased to disallow and annul the law of the Act No. 16 of the Commonwealth of Australia, in manner provided by the Commonwealth of Australia Constitution Act, or may otherwise graciously order that right be done. And Your Majesty's petitioners, as in duty bound, will ever pray.

Senator DAWSON.—On behalf of how many islanders is that petition signed?

Senator WALKER.—3,000.

Senator PEARCE.—Did they know what they were signing?

Senator WALKER.—This petition having been sent to me, I thought it my duty to read it, and look into the matter. I do not want to pose as being more kindly than any other honorable senator, but if others had seen what I have seen, and had lived in Queensland as long as I have done, they would have regarded it as their duty to bring the matter forward.

Senator GLASSEY.—How long is it since the honorable senator was in Queensland last?

Senator WALKER.—I have a house in Queensland at the present moment. It is about fifteen years since I resided there, but I go up once every year. Mr. J. J. Kingsbury, a barrister well known in Brisbane, drafted the petition I have read, at the request of Mr. Rutledge, the Attorney-General of the State. Mr. Kingsbury wrote on the subject to Mr. Douglas Rannie, one of the assistant inspectors of the Polynesians, who wrote in reply the following letter, which he permitted Mr. Kingsbury to publish. The letter appeared in the *Brisbane Courier* of 18th June.

Senator DOBSON.—What does the honorable senator want—what is he driving at?

Senator WALKER.—I will state what I am leading up to in a moment. First of all I want honorable senators to know the facts; then I shall tell them what I want the Government to do. Mr. Douglas Rannie has had eighteen years' experience of the Polynesians, and it is as well that honorable senators should know what he has to say. His letter is as follows:—

Bundaberg, 7th April, 1902.

Dear Sir,

Having carefully read the copy given me by you, I can deeply sympathize with the Pacific Islanders now residing in Queensland in their petition to his Majesty the King, in which they pray that his Majesty may be graciously pleased to disallow, and annul, the law of the Act passed by the Commonwealth of Australia, which enforces the deporting of these unfortunate people from this State back to the horrors and unutterable cruelties and heathenism of their savage islands.

As you are aware, I have had unique opportunities of studying and acquainting myself with the ways, habits, and customs of the South Sea Islanders, having been in close contact with them during the last eighteen years, the first nine years of which I spent cruising among the islands, and the last nine as assistant inspector of Pacific Islands in the Mackay and Bundaberg districts. And a little over two years ago I made another cruise through the New Hebrides and Banks Groups.

I am quite in accord with, and can vouch for, the truth of the pleas set forth and the statements made by the islanders in their petition.

Many instances may be cited of poor unfortunates who have been condemned by their blood-thirsty and cannibal chiefs to torture, sacrifice, and death, making their escape and taking refuge on board Queensland vessels, to be there told by Government agents that they were safe, and by going to Queensland they need never fear that they will ever again come under the thralldom of their cruel chiefs. Now their return would insure certain torture and death.

Again, in intertribal wars, I have seen villages in flames, the country laid waste, and poor wretches fleeing for their lives, hotly pursued by their murderous enemies. Many of them have been succoured by Queensland vessels, and been assured that they could live in peace in Queensland for the rest of their days, if they so desired.

If they returned now they would meet with tribal vengeance, and certainly be put to death.

In their internecine wars I have known whole villages, and sometimes districts, to have been annihilated, while many people from those parts were working in this State, and, should they return, it would only be to be killed by their neighbours. I saw a case in point in Wanderer Bay, Guadalcanar. Eight men were landed from a Queensland vessel; when they got to their village, too late to retreat, they found the cold ashes of their ruined houses, and six of the eight fell beneath the tomahawks of their savage neighbours. The two survivors, who were spared, having friends among the murderers, recounted the whole affair to me, and showed me

the skulls of their slaughtered comrades bleaching on a beach in front of the chief's house.

As we all well know, many men and women hailing from different islands have been married here in Christian churches, and if compelled to return to their islands, all ties between husband and wife must be broken, as the man dare not land on his wife's island, nor the wife on the island of her husband, unless they wish to court death, or worse in the case of the woman. If they agree to part, what is to become of their children?

This is what he saw with his own eyes.

I witnessed a parting of this kind at Aoba, New Hebrides. It was distressing in the extreme. After a sorrowful parting from her husband, the woman landed with her little child. The child was immediately taken charge of by some of the women on the beach, while the mother fell on her knees before the chief. She was roused from her suppliant attitude by a blow from the butt end of a rifle, wielded by a brawny native. With a scream she rushed towards her child, but was thrust aside by some of the mob, and the same native who struck the distracted mother, tore the child from the arms of the woman who held it, threw it on to the stones, and stepping back, blew its brains out with his rifle.

On one occasion, I rescued a Santo woman from Tanna, who had returned from Samoa, and had landed by a German vessel along with her Tannese husband. But he had no power to protect her. And on another I rescued a New Ireland woman who had been landed in a similar manner on Guadalcanar. Both women had been horribly mutilated, and they described to me the terrible tortures they had endured, and stated that had they not made their escape they would eventually have been put to a fearful death.

Of those who have become Christians, if they return to their islands, in many cases they will have to suffer persecution and death, as they have learned to abhor the heathen rites and practices of their countrymen, and have thrown off the ignorance and superstition which enslaved them to their demon-worshipping chiefs; yet they are unable to appeal in their own islands for protection or redress at the hands of any civilized power.

In other cases where islands have been settled on by Europeans, and are semi-civilized, the returned islander will find that what was once his home has been acquired, unknown to him, by white traders and planters during his sojourn in Queensland; and on the spot and for miles around, where once he grew his yams and taro, the white man has his coffee, cotton, maize and tobacco plantations. Especially will this be found in Efate, Api, Mallicolo, and Santo, all in the New Hebrides groups.

What, then, is to become of the returned Islander in those parts? Having no place to settle down on, he must either become a burden on the white settlers or die of starvation. Or, what is more likely, join some of the wild bush tribes, and lead them in their murderous onslaughts on the white settlers, whom he will deem the usurpers of his land.

Then, what of the kanaka children born in this State, educated in our State schools, brought up

in our Sunday-schools, taught to love God the Great Creator of all, and led to believe in and love and trust His Son, our Saviour the Redeemer of all mankind, the black man as well as the white? Must these young men and women and children be banished with their parents into the blackness and darkness and corruption of heathenism? Surely, in this twentieth century of Christendom, the dawning Commonwealth of Australia will not be permitted to be sullied by such an atrocious crime as the forcible deportation of these poor islanders from our shores. Not from the mere ground of sentimentalism, but from the stand-point of a humanitarian and a Christian. I view with horror, contempt, and disgust, the action of some so-called ministers of the Gospel, and professing Christians, who clamour for, and join in the hue and cry to drive these young Christians down to the misery and barbarism, moral and physical death, from which their parents and the working Christians of this State have striven so hard to keep them. God help these self-styled followers and preachers of the Gospel of the gentle Jesus, when they stand forth for judgment. May that cry stand them in good stead which rang out from Calvary, 2,000 years ago, from the lips of our dying Saviour, "Father forgive them, for they know not what they do."

I do not propose to say much more except to make a few suggestions. Many honorable senators probably did not know that there was a possibility of such misery ensuing from the deportation of these unfortunate people. I am very glad to learn from the representatives of the Government—and I thank them for drawing my attention to the fact—that there is no necessity to suppose that each islander will be sent back to his own island. They are simply to be deported from Queensland. But where are they to go to? I hope that the Government will see the advisability of exercising a large discretionary power in regard to their deportation. It is possible that many of the islanders might, subject to the approval of the Fijian Government, be employed upon the plantations at Fiji, and inquiries might be made to ascertain whether that could be done. We want to get quit of them from the Commonwealth, but we do not want to send them where they will be massacred, or at least maltreated. I trust that the Government will institute inquiries, say through the British Commissioner in the New Hebrides, to ascertain what can be done to place the islanders who are deported from Queensland in such situations that, at any rate, they cannot be maltreated; and a Bill might be brought in giving greater discretionary power in regard to deportation. Of course, the expenditure in connexion with the deportation must be borne by the

Government. When the Honorable John Douglas was here last week I spoke with him in regard to the South Sea Islanders, and the possibility of their engaging in the pearl fisheries. Mr. Douglas, as an old politician, evidently coincides with the policy of a White Australia so far as concerns the mainland, but he considers that the Government might distinguish between the mainland and the islands in the Torres Straits. I am pleased to learn that many South Sea Islanders have married Torres Straits Islanders, and that the result is that the rising generation is a great improvement on the present one. The South Sea Islanders teach the Torres Straits Islanders how to make better houses and boats, and they are most useful in the pearl-shelling industry. I would draw the attention of the Government to the reference in the petition to the kanaka children now in Queensland. I presume that, as British subjects, they will not be deported against their own wish if they are fifteen or sixteen years of age, and able to judge of the advantages or disadvantages of being sent to semi-barbarous islands! This, of course, is not a party question, and if I have detained the Senate too long in dealing with it, I have done so simply from a deep sense of duty. It is no pleasure for me to address any assembly at great length. I wish the Government to say that they will make inquiries from the British Commissioner in the New Hebrides, or, if need be, from the missionaries, to ascertain whether there are any islands to which these men can be deported without being massacred or molested. What I desire to know is whether the Government will take the necessary power, if need be, to pay the expenses of these islanders, many of whom may desire to go to Fiji, where they would be welcomed. The Queensland State law necessitates their return to the islands from which they came.

Senator DAWSON.—The honorable senator wants the Pacific Island Labourers Act to be hung up for the time being.

Senator WALKER.—No. I wish to give the Government timely notice, so that, if necessary, they can bring in a Bill to extend the time of deportation. I want to strengthen the hands of the Government in carrying out what the people desire them to do, and I am sure that the people of Australia wish the

Act to be administered in a humanitarian way. Speaking again subject to correction, I would point out that recently the captain of a ship at Bundaberg declined to take the responsibility of conveying a cargo of kanakas to the islands, knowing well how they would be treated on being landed there. I hope the Vice-President of the Executive Council will give us some assurance that the kanakas will not be sent to islands where they will be massacred or molested.

Senator O'CONNOR (New South Wales—Vice-President of the Executive Council).—I am sure we all realize that the action taken by Senator Walker has been prompted by that kindness of heart which we know he possesses, and which endears him to every member of this Chamber. I do not complain of the action taken by the honorable senator in bringing this matter forward, because it enables me to make a statement of the position of which perhaps he is not aware. Senator Walker brought forward a petition as forming the text of what he had to say. I think he will realize at once that it is impossible to comply with the prayer of that petition, because it is nothing less than a request that the Act shall be repealed.

Senator WALKER.—All the more reason for mentioning it here.

Senator O'CONNOR.—That cannot be. I take it that the practical effect of what the honorable senator has brought forward is that, in carrying out the provisions of this Act, the utmost humanity shall be shown, consistently with the unwavering administration of the law in the spirit in which it has been passed. I can assure the honorable senator that it has always been the desire of the Government to administer the Act in that way.

Senator STEWART.—Honorable senators from Queensland have always desired that it should be so administered.

Senator O'CONNOR.—Undoubtedly. I am certain that there is no honorable senator, and, indeed, no member of the public, strongly believing in the principle of a "White" Australia, who would hesitate for one moment to urge that every endeavour should be made to make the burden of the Act fall as lightly as possible upon those who must suffer under it. The honorable senator will realize that Australia has decided—and, as most of us think, upon absolutely necessary grounds—that an end shall be put, not only to the importation of kanakas, but

as far as possible to the residence of kanakas amongst us. When we remember that we have to deal with some 8,000 of these people, many of them resident for some time in Queensland, we must realize that it is hardly possible to administer an Act of this kind without some cases of hardship occurring. What we have to consider in regard to this, as in regard to all other measures of national concern, is—"Is it necessary that individuals shall suffer for the sake of the Commonwealth?" This is one of those cases in which we think it impossible to insure permanent security to the Commonwealth from the social evil which threatens it, if the importation of these coloured races continues, without inflicting some suffering. What is the position? At the present time, under the Pacific Islands Labourers Act, no one can be deported unless a magistrate has made an order in that behalf. That provision applies to all deportations up to the year 1906. The arrangements for deportation have to be made under section 8, and there can be no deportation without an order being made under that section. That means that each individual case will be, and must be, inquired into. In making the deportations the Government will take good care that the Act is carried out without the infliction of unnecessary hardship on the persons to be deported. After 1906, deportations can take place upon the order of the Minister administering the Act, and there is no doubt that the deportations which must take place in 1906—after this period of grace has run out—will have to be more or less of a general character. In dealing with them the Government will be actuated by precisely the same motives as before. The honorable senator may rest assured that the Government will take good care that before the time arrives for carrying out these deportations every inquiry will be made, so that there shall be, as far as possible, no inhumanity, and no hardship inflicted upon individuals. I am sure the honorable senator knows as well as any one here that the condition of the Pacific Islands is rapidly changing, and although there may be islands to which it might be unsafe to deport kanakas who have worked as labourers in Queensland, there are many others which have rapidly become civilized, and in which employment can be found for these "boys." The Government will take every care, in making these deportations, that they have all the information necessary

— Senator O'Connor.

to indicate the places to which the men should be sent. Nothing more can be done. The Government have determined to carry out the policy of this legislation without faltering in any way. They have also determined to take every care that the carrying out of that policy shall not bear more harshly than is absolutely necessary upon any individual.

Senator DOBSON.—Can the honorable and learned senator tell us what has been done with the kanakas whom the master of the ship at Bundaberg refused to take to the islands?

Senator O'CONNOR.—I do not remember the circumstance to which the honorable senator alludes, and I can give him no information upon the subject.

Senator PULSFORD (New South Wales).—I do not think the statement made by Senator O'Connor is entirely satisfactory. He told us in his concluding sentence that the Government would take care that the principles of humanity were observed in making deportations, but in an earlier portion of his speech he said that all humanity consistently with the full carrying out of the Act would be observed. That is to say, that if it were necessary to be inhuman, the Government would be prepared to be inhuman as long as they got rid of the kanakas. I do not think that is quite in consonance with the temper of Australia. If the honorable and learned senator had said that the Government were prepared to strain the law if the principles of humanity required it, he would have said something that would have satisfied the feelings of the people of Australia.

Senator O'CONNOR.—If I had said that, the honorable senator would still have discovered something with which to find fault.

Senator PULSFORD.—I do not think so; if the honorable senator will give me that assurance I shall be satisfied.

Senator O'CONNOR.—I shall give only the assurance which I have already given.

Senator PULSFORD.—That assurance is not as satisfactory as we have a right to expect, and it is one that does not entirely reflect credit upon the Government.

Senator DAWSON (Queensland).—Unlike Senator Pulsford I am perfectly satisfied with the assurance which has been given by the Vice-President of the Executive Council. I think it is ample. I gathered from his statement that the Government were determined to carry out the provisions

of the Act ; but that, in doing so, they would observe humanitarian principles.

Senator PULSFORD. — And that they would be inhuman, if necessary.

Senator DAWSON. — Not at all. The honorable senator is evidently labouring under a misconception. Senator Walker will have to excuse some honorable senators from Queensland if they view his attitude in the light of suspicion, because we have had a very long and painful experience of the gentlemen who are deeply interested in the retention of the kanaka trade. We have learned from experience to view with suspicion every effort put forward by them, to become suspicious even of the persons they engage in that behalf, although they may have previously borne the most excellent character. In connexion with the traffic in Queensland there has been nothing but falsehood upon falsehood, and deception after deception practiced. The very petition which was read by Senator Walker lets the cat out of the bag, when it sets forth that many of the 3,000 islanders affected by it are artisans, boat-builders — and are in fact competing with white labour in the open market of Queensland. It sets forth that they have learned trades in Queensland, and that when they were engaged they were promised by the Government agents, by the recruiting agents, and every one concerned, that they would not be returned to their islands. The express provision of the State Act, however, was that they should be deported at the end of a certain period, and, in answer to those who were opposed to the introduction of kanakas, it was unmistakably stated upon public platforms, upon the floor of the State Assembly, and through the press, that such would be the course pursued. It was stated time after time that the kanakas would be engaged only for a term of three years, and that they would be returned to their islands at the end of their engagement.

Senator Lt.-Col. GOULD. — Could they not be re-engaged ?

Senator DAWSON. — I believe they could for about twelve months. But Senator Walker has stated that the consistent policy of the State has been to keep these islanders in Queensland ; that Queensland was to be their home for all time, and that they were not to be restricted to work in the cane-fields — work which white men were presumed to be physically incapable of

performing. Now we have a full and true statement from the advocates of the kanaka trade.

Senator FRASER. — It would have been against the law to allow them to work outside the cane-fields.

Senator DAWSON. — That only shows the unscrupulousness of the advocates of the kanaka trade, who have been lying from daylight until dark and from dark until daylight. Having this experience and the evidence contained in the petition submitted this afternoon, we have good reasons for viewing with suspicion any overtures made by these people. Under the circumstances, perhaps Senator Walker will pardon us for having for the moment viewed even him with suspicion when we discovered in him a new recruit for the advocates of the kanaka.

Senator WALKER. — Surely the honorable senator does not suppose that I am interested by any personal motives in the matter ?

Senator DAWSON. — I was going to remark that I see no harm in the request made by the honorable senator. We shall do all we possibly can to assist him, but I am making these observations in order that the honorable senator and those who think they may by roundabout or underhand methods still continue to keep their dearly-beloved kanaka in the State of Queensland, may know that we shall be continually on the alert, and will feel it our duty to prevent them carrying their wishes into effect. In submitting his very reasonable and modest request, Senator Walker availed himself of the opportunity to draw a lurid picture of what is happening to the poor unfortunate kanaka when he is deported to his island home. I cannot help thinking that that was an effort at sensationalism on the part of the honorable senator, and that the idea was to paint such a gory picture for the public of the Commonwealth, that there would be an immediate clamour on humanitarian grounds, backed up by the great power of the Christian church, that a great agitation should be immediately started in every State of the Commonwealth in order to bring about the repeal of the Act. But if the drawing of lurid pictures is to be the order of the day, those who are in favour of the deportation of kanakas are in a position to draw very many pictures of that description. Senator Walker told us of a child being brained

in the presence of its mother on being returned to the islands, but perhaps that honorable senator does not know what has happened to our own white women in Queensland as a consequence of the importation and retention of the kanakas for the work of the sugar fields. Year after year the whole population of the State has been thrilled with horror by the accounts of brutal murders that have taken place where white men and white women have been butchered by kanakas. Senator Glassey, as the representative for many years in the Queensland Parliament of a district in which the kanaka element was very large, could tell honorable senators of some most dastardly crimes that have been perpetrated there by kanakas. As a matter of fact, there are places and towns along the coast of Queensland where the kanaka is a large element of the population where it is absolutely unsafe, not only for white women, but for white men to be about after dark.

Senator DOBSON.—Nonsense!

Senator DAWSON. — Senator Dobson, the cocksure senator from Tasmania, says "Nonsense," but the honorable senator has never been in those places. He has never had any of his women-folk beyond Mackay. Women have been in those districts helpless and absolutely at the mercy of the kanakas, and some have been brutally butchered. The honorable and learned senator has never had any of his women folk in that position. I trust that whatever effort may be made, whether in the guise of an innocent motion, or in whatever shape it may present itself, honorable senators will not be deluded into relaxing in the slightest degree their determination to carry out to the very letter the principles of the Act they have passed.

Senator Sir JOSIAH SYMON (South Australia). — I feel such astonishment at hearing my honorable friend, who, as the Vice-President of the Executive Council said a minute ago, has endeared himself to every member of the Senate, described as an exponent of sensationalism, that I feel that I must say one word. If there is one attribute which, amongst the excellent virtues which Senator Walker possesses, he does not possess, it is that of sensationalism. I envy Senator Dawson his command of a picturesque vocabulary, but if there has been any lurid or gory picture drawn, it has not been in the statements which Senator Walker has made, but in an effort to draw a very gory red herring across the trail by

the introduction of a lot of general, vague, and, I think I may call them, wild statements—

Senator DOBSON.—Wildly exaggerated statements.

Senator DAWSON.—Not in the slightest degree.

Senator Sir JOSIAH SYMON.—As to the terrible consequences which may happen to white people, and especially to white women, in certain parts of Queensland.

Senator DAWSON.—No; but what has actually occurred.

Senator Sir JOSIAH SYMON.—We all agree that it is deplorable that attacks should be made upon our women folk, but I think most of us are aware that deplorable attacks of that kind are not confined to the kanakas. The records of those criminal courts to which I resort occasionally with great pain are not exclusively confined, so far as regards offences against the person, to people of coloured races. I think it is just as well that we should bear that in mind, and that we should not allow our emotions to be unduly excited by so painful an oratorical picture as my honorable friend Senator Dawson has just painted. Senator Walker is not a sensationalist, but, as has been said, a kind-hearted and humane man. Whilst he has related, in somewhat prosaic terms I think, the facts, as he believes them, which have come to his knowledge, being what he is the honorable senator could not help exhibiting some little emotion in connexion with such a terrible state of things as he described. I think it is well that the matters to which he has referred should have been brought under the attention of the Senate and under the attention of the country. At the same time, I do not quite follow my honorable friend Senator Pulsford in thinking that what the Vice-President of the Executive Council has said is not as satisfactory as we could expect under the circumstances. We have passed a law, and, as I gather, Senator O'Connor says that the Government will endeavour to carry it out humanely. Though I was opposed, and am still opposed, to the Act, and think that a very drastic remedy was sought for what is practically no disease at all, still there is the statute, and though no doubt hardships may arise under it, we have to do the best we can with it. I am quite sure the Government will not be actuated by any cruel or inhuman motive.

Senator DAWSON. — He was restricted from the very jump.

Senator Lt.-Col. GOULD.—What about the men who are travelling in Queensland with certificates of exemption? They are not restricted from engaging in any occupation which they may see fit to follow. I do not think that the petition bears out the statement which the honorable senator made that it was only a trick on the part of certain persons to keep the kanakas in Queensland. We know that the representatives of that State in both Houses of this Parliament are strongly in favour of the Pacific Island Labourers Act, and that they are altogether opposed to the continuance of black labour, but that the Government of Queensland take a decidedly opposite view to theirs, showing that in their State there is a strong feeling of hostility to the measure. But the honorable senator should not take up the idea that, because a man brings forward a question of this kind in the way in which Senator Walker has, he in any way desires to undermine or go behind the law as it exists. While it exists, it is our duty to observe its provisions. When we find that it is not a desirable one, it is our duty, if we can, to see that it is amended, but beyond that I do not see that we have any right to go. I am very glad that Senator Walker has given an opportunity, not only to the Government to declare publicly their policy with regard to the administration of the Act, but to honorable senators to say a few words on the subject, and to make suggestions as to the direction in which the Government should go in dealing with the kanakas when the day for deportation comes round.

Senator DOBSON (Tasmania).—Some honorable senators think that there is very little, in fact nothing, more to be said on this question, but it appears to me that a great deal will have to be said in the future, because the Senate has assisted to pass a measure which, I think, may tend to work a large amount of injustice and cruelty. I am in accord with Senator Pulsford, who is not quite satisfied with the promise which Senator O'Connor gave. The Government have made a statement, through their mouthpiece, to the effect that the Act will be administered with as little injustice and inhumanity as possible. But what right have we to mete out any measure of injustice, hardship, cruelty, or inhumanity to these

9,000 kanakas who were imported from different islands in order to serve and benefit the sugar planters of Queensland? I think that Senator O'Connor has not gone far enough. He has told us that the repeal of the Act is impossible; that the Government will carry out the law, but that in doing so they will act on humane principles. To that statement we can only say, "Thank-you-for-nothing." We expect every Government in carrying out every Act to deal humanely with people. The question, to my mind, is whether this Act is not a blot on our statute-book. I assert most unhesitatingly that it is. The first part of section 8 provides that if any officer appointed in that behalf brings before any court a kanaka who is not serving under an agreement, and the court has evidence of that fact, it shall order that the kanaka shall be forthwith deported, and there is no discretion left to the Government at all. The next part of the section provides that if any kanaka is found in the State after 1906, the Government may deport him. In that section there is a mandatory provision and there is also a discretionary provision. If my friends of the labour party object, as they appear to do, to the kanakas dwelling in Queensland and carrying on various industries there; if they object to their competition as labourers, they have nothing to do but to bring the unfortunate kanaka before the court, and the presiding magistrate will then have no alternative but to direct that he be forthwith deported. I was very pleased to hear the remark of Senator Stewart that under no circumstances would he advocate that the married kanakas should be deported. Why did not the honorable senator, and others who think with him, put in the Bill some clause which would give a wider discretion and safeguard the lives and liberties of the married kanakas and their wives and children? According to the first sub-section of section 8, the idea of Senator Stewart cannot be carried out, and if 50 or 1,000 kanakas were brought before a court, married men with children, leading reputable lives, attending the night schools, as 3,500 of them do, with an account in the savings bank, as 3,000 of them have, they would have to be deported. We may have the clearest evidence that the men would be going to their certain death, and under an Act of Parliament we, the Senate and the other House, would have sent them to their certain death. Therefore, we should not gloss over this matter, but

wisdom or otherwise of the Act dealing with kanakas, we have to recognise the fact that such a law has been passed by the Commonwealth Parliament, and that notwithstanding the petition referred to by Senator Walker, it has been approved by the authorities at home. The only thing we can now do is to make sure that the Government will exercise the greatest care and humanity possible in the administration of the law. When we have such reports as have been referred to by Senator Walker made public through the press, it is well that the public generally should understand that the Commonwealth Parliament, from whom this law has emanated, is at all times prepared to probe into all representations made as to any violation of the law or any inhumanity or cruelty that may result as a consequence of it.

Senator DAWSON.—And brutality wherever the kanaka is.

Senator Lt.-Col. GOULD.—Wherever brutality is alleged, it is well that it should be inquired into. While we in Australia may be perfectly satisfied as to the way in which the law is being administered, we must bear in mind that it may be made a great deal of in other parts of the world. It is a law which directs special attention to Australia in the old country, and which is likely to give rise to a great many misrepresentations as to the result of its operation. Therefore, when any representations are made, it is well that they should be inquired into at the fountain-head—in the Parliament from which the Act emanated. In his speech Senator Stewart expressed views which are not embodied in the Act. If I understood him aright, he said that he would be no party to insisting upon the removal of, among others, persons who have had a residence or domicile in the Commonwealth for some considerable period.

Senator O'CONNOR.—The exercise of the power given in the Act is entirely discretionary. The Government may apply it to those whom they think fit.

Senator Lt.-Col. GOULD.—I have no doubt that it is a discretionary power, but a promise has been made to honorable senators generally who are in favour of the law, that it would be exercised. I understand that many honorable senators voted for the Bill because they wished all kanakas to be removed from Queensland within a limited period, and if the Government were to say, "We shall not remove the kanakas who are

here at the present time," they would probably lay themselves open to a charge of non-administration of the Act in accordance with the intention of the Parliament.

Senator O'CONNOR.—A large number of the kanaks of whom the honorable senator is speaking would come under the exemption clause.

Senator Lt.-Col. GOULD.—Yes. All the kanakas—700 or 800, I am told by Senator Walker—who got exemption certificates before 1884 cannot be interfered with. We know that under this law those who came into Queensland within more recent years can only be employed in one branch of industry. It would no doubt have been an easy matter to have allowed these men to remain where they were, kept to the particular line of industry for which they were imported, and not to have allowed further importations to take place under any circumstances. However, the law is not framed exactly in that way, and we only have to see that it is administered by the Government in a humane manner. I am not one of those who believe that the present or any future Government would do otherwise than exercise the power which is placed in their hands under this Bill as considerably and reasonably as possible, and if they found that it was impossible to deal with these questions fairly, considerably, and humanely, they would take steps—in which I believe they would be supported by Parliament—to make such alterations as would get rid of any valid charge of inhumanity in the administration of the law. Referring to the petition, Senator Dawson said that it showed that an effort was being made outside these kanakas for the purpose of retaining kanakas in Queensland.

Senator DAWSON.—I said that we viewed it with suspicion, as we did every movement in that direction.

Senator Lt.-Col. GOULD.—The honorable senator alluded to the fact that some of these men said they were boatmen, and were engaged in two or three occupations. It should be borne in mind that it has only been in recent years that the kanaka had to be confined to one class of industry. In the earlier years he was allowed to go into any branch of industry he liked. I understand that some of those who signed the petition have been resident in Queensland for 30 or 40 years.

Senator DAWSON. — He was restricted from the very jump.

Senator Lt.-Col. GOULD.—What about the men who are travelling in Queensland with certificates of exemption? They are not restricted from engaging in any occupation which they may see fit to follow. I do not think that the petition bears out the statement which the honorable senator made that it was only a trick on the part of certain persons to keep the kanakas in Queensland. We know that the representatives of that State in both Houses of this Parliament are strongly in favour of the Pacific Island Labourers Act, and that they are altogether opposed to the continuance of black labour, but that the Government of Queensland take a decidedly opposite view to theirs, showing that in their State there is a strong feeling of hostility to the measure. But the honorable senator should not take up the idea that, because a man brings forward a question of this kind in the way in which Senator Walker has, he in any way desires to undermine or go behind the law as it exists. While it exists, it is our duty to observe its provisions. When we find that it is not a desirable one, it is our duty, if we can, to see that it is amended, but beyond that I do not see that we have any right to go. I am very glad that Senator Walker has given an opportunity, not only to the Government to declare publicly their policy with regard to the administration of the Act, but to honorable senators to say a few words on the subject, and to make suggestions as to the direction in which the Government should go in dealing with the kanakas when the day for deportation comes round.

Senator DOBSON (Tasmania).—Some honorable senators think that there is very little, in fact nothing, more to be said on this question, but it appears to me that a great deal will have to be said in the future, because the Senate has assisted to pass a measure which, I think, may tend to work a large amount of injustice and cruelty. I am in accord with Senator Pulsford, who is not quite satisfied with the promise which Senator O'Connor gave. The Government have made a statement, through their mouth-piece, to the effect that the Act will be administered with as little injustice and inhumanity as possible. But what right have we to mete out any measure of injustice, hardship, cruelty, or inhumanity to these

9,000 kanakas who were imported from different islands in order to serve and benefit the sugar planters of Queensland? I think that Senator O'Connor has not gone far enough. He has told us that the repeal of the Act is impossible; that the Government will carry out the law, but that in doing so they will act on humane principles. To that statement we can only say, "Thank-you-for-nothing." We expect every Government in carrying out every Act to deal humanely with people. The question, to my mind, is whether this Act is not a blot on our statute-book. I assert most unhesitatingly that it is. The first part of section 8 provides that if any officer appointed in that behalf brings before any court a kanaka who is not serving under an agreement, and the court has evidence of that fact, it shall order that the kanaka shall be forthwith deported, and there is no discretion left to the Government at all. The next part of the section provides that if any kanaka is found in the State after 1906, the Government may deport him. In that section there is a mandatory provision and there is also a discretionary provision. If my friends of the labour party object, as they appear to do, to the kanakas dwelling in Queensland and carrying on various industries there; if they object to their competition as labourers, they have nothing to do but to bring the unfortunate kanaka before the court, and the presiding magistrate will then have no alternative but to direct that he be forthwith deported. I was very pleased to hear the remark of Senator Stewart that under no circumstances would he advocate that the married kanakas should be deported. Why did not the honorable senator, and others who think with him, put in the Bill some clause which would give a wider discretion and safeguard the lives and liberties of the married kanakas and their wives and children? According to the first sub-section of section 8, the idea of Senator Stewart cannot be carried out, and if 50 or 1,000 kanakas were brought before a court, married men with children, leading reputable lives, attending the night schools, as 3,500 of them do, with an account in the savings bank, as 3,000 of them have, they would have to be deported. We may have the clearest evidence that the men would be going to their certain death, and under an Act of Parliament we, the Senate and the other House, would have sent them to their certain death. Therefore, we should not gloss over this matter, but

ask ourselves whether Parliament has or has not passed an Act which is founded on cruelty and inhumanity.

The PRESIDENT.—I call the attention of the honorable and learned senator to Standing Order 138, which says that—

No member shall use offensive words against either House of Parliament or against any statute unless for the purpose of moving for its repeal.

Senator DOBSON.—I am grateful to you, sir, for calling my attention to the standing order which I ought to have recollected, but it does not alter the fact that it is of no use for us to try to gloss over a mistake which we have made. I quite agree with Senator Pulsford that Senator O'Connor has practically admitted that some inhumanity, and some hardship will have to be borne by these men in the carrying out of the Act. All I have to do is to express my earnest hope that he will see that no injustice, cruelty, or unfairness will be meted out to any one of the 9,000 kanakas in order to carry out any law which has been placed on our statute-book.

Senator GLASSEY (Queensland).—During the progress of the discussion, I have been wondering when this kanaka question is likely to come to an end.

Senator Sir FREDERICK SARGOOD.—Not yet a while. The conscience of the people is being aroused over it.

Senator GLASSEY.—I promise honorable senators that if the question is going to be so frequently raised, there will be a good deal of inhumanity on the other side disclosed, and I am one of the men who will produce the evidence.

Senator DOBSON.—We shall produce evidence.

Senator GLASSEY.—I may produce evidence which will bring the blush of shame to the cheek of the honorable and learned senator.

Senator DOBSON.—We have read it all—columns and columns of it.

Senator GLASSEY.—The honorable and learned senator has not read a good deal of it, and I promise that he shall hear more of it. There are matters in connexion with this abominable traffic which will not bear investigation, and which certainly will not bear public discussion. If this question is going to be raised time and again, as there are indications that it is, however disagreeable it may be to bring forward certain matters—and I am bound to confess that it will be one who will not hesitate

to do it, and if I do not bring the blush of shame to the cheek of any honorable senator who dare to perpetuate this evil, then I shall be convinced that it is impossible for him to blush.

The PRESIDENT.—The matter brought forward by Senator Walker is not the policy of the Act, but the mode of its administration.

Senator GLASSEY.—What is the real object of this discussion?

The PRESIDENT.—To discuss the method of the administration of the Act.

Senator GLASSEY.—The real object of the discussion is to reflect on the statute, and to urge its repeal.

The PRESIDENT.—Then I would point out that it ought not to be brought forward on this motion.

Senator GLASSEY.—The real object of this motion is the repeal of the Act, and to reflect upon both branches of the Legislature by whom the Act was passed.

Senator DOBSON.—It will not be repealed, but it will not be carried out.

Senator GLASSEY.—Has the honorable and learned senator any ground for saying that the Act will not be carried out?

Senator WALKER.—I rise to a point of order. I only referred to the administration of the Act, and I have nothing to do with what some people desire. We hope and believe that the Act will be administered as the Vice-President of the Executive Council has assured us it will be, in a humanitarian manner.

Senator GLASSEY.—Is it not perfect moonshine to say that this action has been taken merely with a view of insuring that the Act shall be carried out in a humane manner? Does Senator Walker mean to say that the present Government are callous to the welfare of the kanakas, and are not prepared to administer the Act wisely, well, and in accordance with principles of humanity?

Senator WALKER.—They should have greater powers than they have now.

Senator GLASSEY.—There is an Act of Parliament on the statute book, and the Government will undoubtedly administer it in a wise and just manner. But Senator Dobson says that it will not be administered at all.

Senator DOBSON.—Hear, hear.

Senator GLASSEY.—What is the honorable and learned senator's authority for saying so? Is he in the counsels of the Ministry,

or is he hoping that this Government will shortly be sent out of office and that a Ministry more in harmony with his ideas will be placed in power? If so, I tell Senator Dobson that if any other Ministry comes into power this Act will still be administered. No Government could survive 24 hours, so far as the present Parliament is concerned, if it did not administer the Act. What did those of us who represent Queensland come here for? Did we know nothing of the conditions of the kanaka traffic? Unfortunately, we knew too much. So far as my experience goes—and I think I have had as much experience of this traffic as any man in Australia during the last eighteen years—the traffic cannot be defended, and ought not to be perpetuated. Now, I am pleased to say, there is a statute in force that will put an end to it within a specified time. But there is no man in Queensland who believes in the suppression of the kanaka traffic who would say that the Act should not be administered with discretion. I have stated in this Chamber more than once that, notwithstanding my strong objection to the retention of the kanakas, and my knowledge of the evils of the traffic—not only the evils upon the surface, but those below the surface—the suppression of it should be carried out humanely and with tact. But if the question is to be debated again, I tell honorable senators that there are many things in connexion with the evil that have not been stated publicly. Many of the vilest and grossest things connected with it have not been mentioned on the floor of this Chamber, but they can and will be stated if necessary, even though it is considered indelicate to mention them. I should be very sorry to do it, but if I am tempted, and if we find that this matter is re-opened again and again, with a view of inflaming the minds of the people of Australia—if this attempt is likely to be successful—then unquestionably the dark side of the question will be brought forward very much to the shame and discomfiture, if not to the disgrace, of those who want to perpetuate the evil. I have said before, and I now repeat, that where a kanaka has lost his friends in the islands, or has been in Australia a large number of years, or where his tribe has been removed by some means, so that it would be unsafe to land him at the island from which he came, it would be manifestly unjust and cruel to deport such an islander.

Senator DAWSON. — This alleged inhumanity is only a sudden discovery.

Senator GLASSEY.—Certainly it is. What I have stated is the position which we have always taken up.

Senator CHARLESTON.—How can the Government exercise discretion under the Act?

Senator GLASSEY.—It is hardly possible to reason with a man constituted like the honorable senator. There is no law in the world which cannot be administered with discretion, and I presume that the Act of Parliament in question can be so administered. I have stated in my place not only in the Senate, but also in the Legislative Assembly of my own State, that no man who advocates the abolition of the kanaka traffic wishes any harm to come to the islanders. But year by year a number of islanders have been returned to their islands in accordance with our State law. I have statistics before me showing the deportations for the year 1901. In that year nearly 900 islanders were returned to their islands, whilst 1,700 were brought into Queensland. We did not hear a single word of any hardship or difficulty in the administration of the law regarding the return of kanakas to their islands prior to the Commonwealth Act being placed upon the Statute Book. But the moment the Commonwealth Parliament legislated upon the question, and so soon as the people interested found that for the first time in the history of Australia the subject had been dealt with effectually, a violent outcry was got up against the inhumanity of sending the islanders back to the places from which they came. Why have we not heard this cry before? It is sheer nonsense on the part of some honorable senators, and of persons outside, to endeavour to create a false alarm, and to represent the condition of the islanders as being something desperate, when we know that their deportation is now taking place every year, and has been going on for many years, without a single syllable being raised against the practice. But the outcry is raised for the reason I have given—because for the first time the people who believe in the kanaka traffic realize that Australia has wakened up to the extent of the evil, and has declared in language clear and strong that it shall come to an end within a reasonable period. It is urged that it would be cruel and wrong to send back these poor islanders. Was it cruel and wrong to

send back some 900 of them last year? We never heard about the inhumanity of that. It is sheer nonsense and mere idle talk—it is so much hypocritical sentiment introduced into the matter with the view of raising false issues in the country—to say that the Act will lead to cruelty. There are a number of honorable members in both Houses of the legislature who, if this outcry is continued, will take care that the real facts of the case are made known and that the plain and distinct issues—some of which have not yet been raised—are placed before the country.

Senator FRASER.—The honorable senator has already raised all he could.

Senator GLASSEY.—I could raise far more objections to the kanaka evil than have yet been advanced—evils far more diabolical in their character than have yet been publicly mentioned. I promise that if certain honorable senators intend to keep this sore running, undoubtedly we shall take another little bit of the plaster off, and show that the full extent of the evils of the traffic that have not yet been represented to Parliament and the country.

Senator CHARLESTON (South Australia).—My honorable friend Senator Glassey says that it is almost impossible to reason with a man whose view of this question is like my own. I listened to the honorable member for about five hours while he delivered a speech upon the horrors of the kanaka traffic, and pointed out in the most eloquent terms the great injustice and inhumanity that would be wrought by continuing to take the kanakas from their homes in the islands. I really thought that the honorable senator was in earnest. I did not think that his statement was all clap-trap. I thought, from the eloquence that he poured out before the Senate, that there was something at the back of it, and that it was not merely talking to the gallery and striving to create false sympathy. I was influenced by the honorable senator's eloquence when I moved to the effect that the importation of kanakas should cease, and that the deportation should not take place. But where was the honorable senator to be found when the division took place? He was to be found voting against my proposal, clearly showing that he did not believe in the case he had brought before the Senate. If he had believed in it, a man with his great sympathies could

not for one moment have allowed the traffic to continue any longer.

Senator DAWSON.—The honorable senator has got him there!

Senator CHARLESTON.—Of course I have got him; and then for the honorable senator to say that the Government ought to administer the Act on humanitarian lines is all nonsense. I say that he, and those who voted with him, did not give the Government any chance to administer the Act on humanitarian lines. Therefore it is sheer clap-trap and hypocrisy for the honorable senator to come here and make the statement he has done. I say now, as I said on the previous occasion, that the Act involves one of the grossest cases of injustice and cruelty that could be performed by any people or Government.

The PRESIDENT.—The honorable senator must not reflect upon the Act.

Senator CHARLESTON.—Then I think I am justified by the result in reflecting on those who passed the Act.

The PRESIDENT.—The honorable senator is not in order. He can only reflect upon the administration.

Senator CHARLESTON.—I have only to repeat that I foresaw the difficulties that would arise in attempting to administer the Act. Now we are brought face to face with those difficulties, and can only hope that something will be done that will remove the stigma which is now resting upon the Parliament in regard to its administration.

The PRESIDENT.—The honorable senator is not in order in saying that.

Senator CHARLESTON.—Then I withdraw the remark. Something ought to be done so that the Government will not be forced to deport the kanakas who have made their residence in Australia for many years. When I heard my esteemed friend, Senator Stewart, declare that he thought that it would be an act of cruelty to send those kanakas who have married, and who have families, back to their islands, I echoed his remark; and I can only wish that those honorable senators who hold the same opinion had expressed it when the Pacific Island Labourers Bill was before us, and before it became an act. I am sorry that they did not assist me at that time in bringing about some modifications in the measure. I can only hope that the result of this motion will be to draw attention to the cruelty arising from the administration of the Act, and to induce efforts to be made to

mitigate, as far as possible, some of the evils connected with it.

Senator WALKER (New South Wales). (*In reply.*)—I desire to thank the Senate for the manner in which the motion has been received, and, if I may be permitted to single out one honorable senator, particularly to thank my honorable friend Senator Stewart. I was delighted with the sentiments which he expressed in regard to deportation. I hope the Government will see their way, if need be, to ask for larger powers of administration. In any event no harm has been done by bringing the matter forward. I beg leave to withdraw the motion.

Motion, by leave, withdrawn.

IMPERIAL CONFERENCE OF PREMIERS.

Senator MATHESON asked the Vice-President of the Executive Council, *upon notice*—

1. Has the Government been kept advised as to the proceedings at the Imperial Conference of Premiers recently held in London?

2. Are the Government aware of the conclusions arrived at, and recommendations agreed to, at the said conference, more especially as to the contributions to be made by the Commonwealth towards the naval defences of the Empire, and as to the proposed constitution of the British naval forces in Commonwealth waters?

3. Will the Government take the necessary steps to lay all information in their possession on this subject before Parliament forthwith?

4. If not, is it intended to give Parliament the information in question during the present session?

Senator O'CONNOR.—The answers to the honorable senator's questions are as follow :—

1. Yes.

2. Yes.

3 and 4. If the Prime Minister arrives before the close of the session this will probably be done.

ORDER OF BUSINESS.

Senator O'CONNOR (New South Wales—Vice-President of the Executive Council).—Before the first Order of the Day is called on, I should like to make a statement with regard to public business, as it may be convenient for the Senate to hear it now. At the close of the business this evening the Government propose to ask the Senate to adjourn until Wednesday, 24th inst. That step has been decided upon for this reason: The House of Representatives will adjourn, probably, this evening until the 23rd September. It is found

impossible for the Treasurer to have the necessary materials for his Budget ready and to make his Budget statement prior to that date. On the 23rd inst. he will deliver the Budget statement in another place. We hope that on that or the following day the Electoral Bill, which we expect to be able to send down to-day, will be dealt with, and sent back to the Senate by the 24th or 25th inst.

Senator CLEMONS.—Why can we not finish the Electoral Bill this week?

Senator O'CONNOR.—I will answer that question in a moment. In addition to these facts, it will be necessary to pass a temporary Supply Bill on the 24th inst., so that for that purpose it will be necessary to ask honorable senators to re-assemble on the date mentioned. After we have dealt with this business on the 24th, 25th, and possibly the 26th inst., I hope to be able to allow honorable senators to get away until the Budget discussion has been completed, or is likely to be completed, in another place. In these circumstances, I propose, at the conclusion of business this evening, to move that the Senate adjourn until the 24th inst. In answer to Senator Clemons, I would say that we cannot conclude the consideration of the Electoral Bill this week, because another place will not be sitting. It is waiting the receipt of our Message as to the Customs Tariff Bill, and will adjourn as soon as it receives it. The honorable and learned senator will see that, in regard to the Electoral Bill, there is a good deal to be brought into line as between ourselves and another place. It cannot be accomplished in a hurry, but we hope that after the discussion upon our amendments, which will take place in the House of Representatives on the 23rd or 24th inst., the Bill will be sent back to us in such a shape that it will be acceptable to both Houses. I am just as anxious as is the honorable and learned senator that the Electoral Bill shall be disposed of. It is necessary that it should be dealt with finally as early as possible, but I see no other way of carrying our views into effect than that which I have stated.

Senator Sir JOSIAH SYMON (South Australia).—I do not know whether we may be permitted to discuss this question—

The PRESIDENT.—The discussion is irregular, but it is very convenient.

Senator Sir JOSIAH SYMON.—I should like to say that my honorable and learned

friend has foreshadowed an arrangement that will not be very convenient to many of us, and we may feel justified in seeking to have some change made in view of the fact that we have been sitting for nearly eighteen months, and have dealt with a very great deal of legislative work. The honorable and learned senator anticipates that on rising to-night we shall adjourn until the 24th inst., when we shall return, not with a view of proceeding continuously with business until the prorogation takes place—I suppose there will be a prorogation some time or other—but simply to dispose of the Electoral Bill, which, so far as we are concerned, is practically disposed of now. We shall then be sent away for another holiday until another place has disposed of the Budget, which looms in the future, and it is ready for our consideration. The majority of us travel very long distances to attend here, and that we should have to come back simply to give the finishing touches to the Electoral Bill, to deal with a Supply Bill, and then be sent about our business once more, is not a very pleasant prospect.

Senator O'CONNOR.—That is not necessary. Honorable senators can stay here if they please.

Senator Sir JOSIAH SYMON.—I am sure Senator O'Connor is not serious when he says we can stay here. Although I should be very glad to get away to-day or to-morrow, I think that, if it were possible, it would be a good thing for the Government to get rid of the Electoral Bill this week, and not bring us back until the remaining substantial business, the Budget, is ready for our consideration. I do not suppose that the Budget debate in another place will be a very long one, because of circumstances with which we are all familiar. If the Government could get rid of the Electoral Bill this week, and not ask us to come back until we can finish the remaining business of the session—

Senator O'CONNOR. — That cannot be done.

Senator Sir JOSIAH SYMON. — Of course we have no control over another place in that respect. If they adjourn to-day and refuse to deal this week with the Electoral Bill, there will be a difficulty; but my honorable and learned friend will have an opportunity of knowing before to-day's sitting terminates whether another

place will really adjourn over the week. If it does adjourn without dealing with the Electoral Bill, I would ask him not to bring us back on the 24th inst., but to request us to reassemble at a date when we shall be in a position to go on continuously with the work, so that we may not have to make two or three long journeys in order to deal piecemeal with the business of the country.

Senator O'CONNOR.—The difficulty is that there must be a House to pass a temporary Supply Bill.

Senator Sir JOSIAH SYMON.—Why not deal with the Supply Bill to-day?

Senator O'CONNOR.—Because it is not ready.

Senator Sir JOSIAH SYMON.—I venture to think that it might have been ready.

Senator O'CONNOR.—We cannot consider only the business of the Senate. Both Houses have to be considered.

Senator Sir JOSIAH SYMON.—But the Senate has to be considered. Honorable senators, as well as members of another place, have been sitting continuously for some time. I hope that before we adjourn Senator O'Connor will be able to place before us a proposal which we shall be more ready to accept, for the convenience of the business of the Senate, than that indicated by him.

The PRESIDENT.—I think I must now stop this discussion. It is entirely irregular. There is nothing before the Senate save the statements made by the leader of the Government and the leader of the Opposition. The discussion should really take place on a motion fixing the date to which the House at its rising shall adjourn.

CUSTOMS TARIFF BILL.

THIRD READING.

The PRESIDENT.—The certificate of the Chairman of Committees to this Bill is as follows:—

That this Bill is the Bill as amended by the House of Representatives at the request of the Senate and agreed to by the committee and reported.

I wish to call the attention of the Senate to the fact that this is an entirely novel certificate. The Chairman of Committees has no doubt seen that the certificate provided by the standing orders could not be made, because it refers to amendments made by the Senate.

Senator O'CONNOR (New South Wales—Vice President of the Executive Council).—In moving—

That the Bill be now read a third time,

I may be permitted to congratulate the Senate and the public on the conclusion of our work—a work of immense moment and significance to the whole of Australia, a work of great difficulty, and a work carried out under conditions so novel that they cannot possibly occur again in the history of the Commonwealth. We have been obliged to harmonize the Tariff systems of six States, most of them differing greatly in principle, as well as in the application of principles in the raising of revenue through the Customs. We have had to bring about harmony between these systems, without a knowledge of the facts of trade which must be known, if we are to deal accurately with questions of this kind. These facts are known in regard to the States individually, but as to how Inter-State trade will operate, as to how local production will operate—as to how all these things will affect revenue—we have necessarily been more or less in the dark. Not only the Government, but honorable members of both Houses, have had to forecast as well as possible from the existing state of things, the future condition of affairs to which this Tariff will be applied, and I venture to say that the work which has been done represents the honest and best efforts of all parties in both Houses to arrive at the best solution in the interests of Australia. Extremists on either side are not satisfied. That is not to be expected. I should believe strongly that the measure was altogether unfitted for existing conditions if it did satisfy either extreme party. The fact is that it has become more and more apparent that the only Tariff which can carry out the purposes for which this Tariff is intended, is a compromise one, reasonably giving effect to the main objects of a Tariff, although it may not satisfy extremists. We believe that we have in this Tariff a sure foundation for the revenue of the Commonwealth. We believe we have a Tariff which, without unduly pressing upon any section of the community, gives a reasonable amount of protection to our own productions. Personally, I should like the duties in many instances to be very much higher, and I

think, generally speaking, that those who have stood by the principles of protection in their own States feel that the measure of protection accorded under this Tariff to many industries is not sufficient. But we recognise, as I am sure my honorable friends opposite recognise, that in a compromise one cannot get all that he wants. We feel that in getting what we have got, and in conceding what we have conceded, we have arrived at a fair and reasonable compromise between the opposed and clashing opinions. Under these circumstances, so far as we are concerned, we are satisfied with the compromise that has been arrived at. I have never had any doubt myself but that the Houses would find some way of adjusting their differences. It was impossible to believe that with the small matters that were in dispute between us on the last occasion, there should be any necessity for taking a course which would be a strong proof either of the unfitness of our Constitution itself, or of the incapacity of the people of the Commonwealth to carry on their business under it. Under these circumstances, I feel that in arriving at the compromise which has been reached, we have done the best that could be done in the interests not only of the party which we represent, but in the interests of Australia as a whole. I think we may all hope now, that this settlement having been arrived at, the mercantile community of Australia, the producers of Australia, and everyone who has to do with the trade of the Commonwealth in any way whatever, will find a restfulness and a feeling of security upon fiscal matters which has not obtained for the last five or six years. Because I think everyone will recognise that since the initiation of the federal movement after the Convention of 1897, it was realized that there must be a general federal Tariff, and speculation as to what that Tariff might be, and as to how it might operate on the different industries, had necessarily a disturbing influence upon trade, which has continued ever since. I say that that will now come to an end, and I feel sure that the community of Australia will welcome a settlement of this matter which will give security and permanence to trade and production, will encourage the expansion of industries, and the investment of moneys in the direction we all hope for. We have had some talk here about

re-opening the Tariff; a great deal of it wild and unnecessary talk it appears to me. I do not say for one moment that this is a perfect Tariff. I do not say that there may not be anomalies in it, which will be discovered in its working. That must be so in connexion with any Act of Parliament dealing with Customs duties, and it will probably be particularly so in connexion with an Act framed in the circumstances under which this Tariff has been framed. And in order to correct anomalies, to carry out the purposes of the Tariff itself in regard to its functions for the raising of revenue, and for other reasons, it may be necessary in time to come to make some amendments of it. But I believe that the people of Australia generally will regard this Tariff as a substantial settlement of the question, and I think that no good can come of disturbing the public mind in regard to this settlement by threats of ripping it up at the earliest moment. I say that if the work upon which we have been engaged, and which represents the results of our labours, is to be of any real benefit to Australia, is to bring about stability in our institutions, and that peace and confidence in mercantile circles, without which we cannot be prosperous, this Tariff must be accepted as a reasonably permanent settlement of the differences which have been so long debated between the opposing sections in this Parliament. I believe, myself, that the opinion of Australia will, as time goes on, be more and more in favour of the permanent maintenance of some such Tariff as that to which we have now agreed. And I believe that when the country realizes that it is becoming self-supporting and self-contained, when it begins to feel more strongly the pulse of national life, it will begin to take a pride in its own institutions, and a pride in the wealth and richness of its own productions. As the national Australian spirit develops, so will develop an affection for a system such as that we have initiated now, which will make any permanent alteration of it a matter of impossibility. In regard to the richly endowed State which has sent me here, which holds everything valuable which I possess in the world, and to which I owe everything, I believe that in that State also, which will I think derive greater benefit than any other from this system, there will in a short time be a permanence of feeling,

Senator O'Connor.

which will prevent any upsetting of the general policy of the Tariff.

Senator Lt.-Col. GOULD.—It does not exist at the present time.

Senator O'CONNOR.—I am quite aware of that. I do not care what the system of taxation is, or how it is administered, we cannot have satisfaction when we impose taxation for the first time upon a free-trade community, like that of New South Wales. It is impossible that satisfaction can be secured under such circumstances, but I hope that after this Tariff leaves this House and becomes law, every member of the Commonwealth Parliament who has been a party to it will feel it to be his duty loyally to help to make it successful. I hope that every member of the Parliament will realize that it is his duty to as far as possible make evident to those persons who are complaining of inconveniences, which naturally attend any new order of things, that it is necessary to go through some inconvenience, and it is necessary to go through some changes which may be thought to be harmful, in order to attain the great benefit which we all believe and hope will accrue from the enactment of this Federal Tariff.

Senator PULSFORD.—We do not all believe it.

Senator O'CONNOR.—I cannot close what I have to say now without expressing my deep gratitude to the loyal body of supporters who have followed the Government throughout the weary months of these discussions. It would have been quite impossible, without their steadfast and loyal assistance, to have done what we have done. I may say for myself and my honorable and learned colleague that it has cheered us in many an up-hill fight to know that we have had behind us the most faithful body of supporters that any Government could have. There have been, of course, occasions about which, and individuals about whom, I do not intend to speak at a moment like the present. I am speaking of the general body of supporters of the Government, and I cannot refrain, at the present time, from expressing these views upon their action and its effect upon us. We have had some strenuous conflicts with our honorable friends opposite, but I believe I shall have the assent of every honorable senator present when I say that they have left no sting behind. We have worked in the interests of Australia, and I recognise as strongly as any one can

that the opposition of our honorable friends has been actuated by precisely the same motives as those which have guided the action taken upon this side—an endeavour to arrive at a solution of this question, one of the most difficult and important for Australia, which will be satisfactory to the whole of the people of the Commonwealth. I hope, now that the fight is over, we may join together in wishing that this Tariff, which is the foundation-stone of our revenue system, will also prove a means of giving to Australia the fullest benefits of trade between the different States, and will render those rich resources which we know Australia possesses a means for the continuous and plentiful employment of her own people.

Senator Sir JOSIAH SYMON (South Australia).—I cannot say that I am able to assent to the concluding words of my honorable and learned friend, in which he looks to this Tariff to secure a permanence of prosperity for the people of this country which they have not hitherto enjoyed. To my mind, this Tariff is not calculated to produce that restfulness and security to which my honorable and learned friend, from his sanguine words, appears to look forward. For my part, in saying “good-bye,” I hope only temporarily, to this Tariff, I trust at some not too distant date to have an opportunity of saying “good-bye” also to all those anomalies to which my honorable and learned friend alluded in general terms, and to those burdens which, according to my mind, this Tariff seeks to impose upon the very industries whose prosperity we all desire to assist. I acknowledge that my honorable and learned friend said no more than was necessary when he expressed his satisfaction that an adjustment between the two Houses was secured. As men imbued with a business-like feeling, as men seeking to pursue a matter of this kind with business habits, as men influenced by moderation and a desire to secure settlement even temporarily amongst the trading people of this country, I think that is certainly a matter for congratulation. It is a source of gratification that wise counsel prevailed to a large extent in the other House, and prevailed largely in this House, to bring about the result which is now to be confirmed by the third reading of this Bill. To my mind, that is not one of the least of our reasons for congratulation. So far as the Tariff itself is concerned, I

recognise the difficulty of the situation. I fully appreciate the trouble that has fallen to this Ministry, a trouble which would have had to be faced by any Government introducing such a measure, under the new set of circumstances, brought about by the establishment of the Commonwealth. I must say that I have always dissented from the views to which irresponsible people and irresponsible journals, and sometimes, I regret to say, responsible people in other Parliaments, have given utterance with respect to the inconveniences and the losses said to result from federation. To my mind, there is no foundation for any suggestion of the kind. No new order of things was ever brought about in this world without friction and difficulty. Providence never endowed any statesmen, or any Parliament, with such a degree of wisdom as to be able to reconcile what existed here—six conflicting systems of Government, six conflicting Tariffs, six conflicting lines of political thought—without trouble and without difficulty. And, in considering even a Tariff, which is only one of the many matters that a Government entering upon its duties in such a state of things must inevitably face—

Senator DAWSON.—You cannot draw a tooth without pain.

Senator Sir JOSIAH SYMON. — No. The Tariff, when it was introduced, came in a very questionable shape. Australia was led to believe that it would receive a Tariff such as I think, to some extent, the Tariff approximates to now. It has been, I shall not say reformed, but, I think, improved, out of all recognition. Some of my honorable friends may think that the changes have not been improvements. Those of us who take the view which I take, consider that the changes have been so completely improvements that the Tariff is not the ultra-protectionist instrument which it was eleven months ago, but subject to certain anomalies—a fair revenue-producing one. We have the fact that, in the House of Representatives, with a minority of revenue tariffists, aided by men of moderate views on this fiscal question—as the Vice-President of the Executive Council told us, 115 items were either reduced in duty or added to the free list. We had in that Chamber, according to my own figures, at least 139 reductions, representing to the people of this country a relief from taxation to the extent of nearly a million of money.

That, with the reductions made in the Senate, according to the later figures, represents nearly a million and a half of taxation, which has been taken off the shoulders of the consumers by the improvements in the Tariff; and strange to say—at least strange in the estimation of those who doubt the views which we on this side have persistently expressed—not only without diminishing the revenue, but with the result of immensely increasing it. Day by day, during the first twelve months since the Tariff was introduced, the revenue has gone on increasing until the estimates of the Treasurer—one of the most capable Treasurers who have ever held office—have been outstripped again and again.

Senator PLAYFORD.—They loaded themselves up with goods before the Tariff was introduced.

Senator Sir JOSIAH SYMON.—My honorable friend takes an imperfect and a shallow view of this question, because last month the revenue returns—that is, long after the stocking themselves up with goods to which he refers—were greater than they were in the month immediately preceding, both of them approaching to nearly £900,000. That is a magnificent result for the revenue-tariffists. Let me add, and I take the opportunity of echoing the congratulations—of course from a somewhat different point of view of my honorable friend opposite—that, in bringing about that result the duties on articles of domestic use have been alleviated to a very great extent. I shall not trouble the Senate by going into details, but I have examined them. First, duties on articles of domestic use and consumption have been to a large extent reduced. Secondly, duties on clothing and material of clothing of a variety of kinds have also been subjected to considerable pruning and reduction to the great relief of the body of the consumers. Thirdly, duties on machinery, engines, and all that class of instruments of production and of manufacture—there is no better help even for the manufacturers—have been greatly reduced. There are other divisions in the Tariff, but if the revenue tariffists in the other House and in the Senate did no more than bring about those reductions to which I have called attention in important departments, we should have great reason for congratulation and may with pride go before our constituents and point out to them the

alleviation of their burdens which we have brought about. I can only regret that with regard to a number of these things additional alterations were not made; and that in dealing with them—I do not say by my honorable friends opposite, but on the part of the Government—there has been a straining at the gnat and swallowing of the camel. That is only one species of the anomalies which remain in this extraordinary Tariff, because extraordinary it is, and will be until it is repealed and something better substituted for it. For instance, let me mention three things. It was quite a shock apparently to give away a farthing duty on paraffine wax, which is the raw material of an important manufacture, but clothes wringers wring out of our honorable friends, who take a strong view of the subject, a reduction of $7\frac{1}{2}$ per cent. duty. Shot is made dutiable, while the manufactured article, cartridges, is admitted free. Protection to the shot-maker, but the unhappy cartridge-maker is left to do the best he can, and to send his workmen out with “pattering bare feet” amongst the unemployed. On an immense line like machinery and engines they give away up to 50 per cent. of the original duty, but they stand fast by the duty on residual oil, which is the fuel used in many manufactures. Composite duties are swept away, but with the tenacity of the antiquarian they cling to one relic of barbarism, the composite duty on cigars. On what possible principle are these things done? Sparklets are safe. If we had any doubt in respect of the beauty of this Tariff and its tendency, as my honorable and learned friend says, to secure permanence to trade and expansion in the expenditure of moneys in these great industries, how can we doubt it now that sparklets are on the free list? There is one point to which I would like to call attention for later consideration, and it is as to the practice of collecting duties immediately the Tariff is presented to the other Chamber, and ceasing to collect a duty on its rejection, as was notably the case in regard to tea and kerosene. Now that the Senate is a factor, and, we hope, an effective factor in the financial control of the Commonwealth, it is manifest that some reconsideration must be given to that topic. The point was discussed a good deal in connexion with the tea duties, and it would seem to me that before we finally determine on rules of procedure

between the Houses, that matter would require to be reconsidered and dealt with. I heard my honorable friend Senator O'Connor say that he hopes we shall begin to take a pride in our own institutions and enterprises. I do not think that Australia is going to begin to take an interest or pride in its institutions and its enterprises. We have for many years taken a pride in our institutions and our enterprises. No country in the world can show the record of progress during the last 50 years which Australia can show, and no mongrel Tariff such as this will be any additional incentive, either to that pride or to the investment of moneys in pursuing industries which, in my belief, will flourish abundantly without the interference which a protective Tariff always brings about. It may produce advantages, as we all know, to particular individuals, to particular manufactures, but in the long run it can have no effect in securing that uniformity and that restfulness of trade which my honorable and learned friend in common with all of us I hope desire to see. We wish prosperity to every undertaking. The difference between us is that I believe that that prosperity will be best obtained by freedom in its pursuit, while my honorable and learned friend believes that it will be best obtained by some species of coddling. But with that difference we can each agree in the hope that he has expressed, and I trust that whether this instrument of taxation lasts a long or a short time, its mischiefs will cause no appreciable difference to that industry and that prosperity which Australia has seen for so long a time. I thank my honorable and learned friend for the remarks he has made in regard to the progress of the Tariff—a highly controversial measure—through this Chamber. Looking at the Constitution of the Senate of which we are all proud to be members, I feel that no other result was possible. We are all actuated by the same patriotic desire. We are doing no less than justice when we recognise the excellent temper and spirit which have prevailed throughout our debates on this question. Every one must be grateful at the outcome which is now about to be completed; and whilst my honorable friend thanks those who have so loyally supported him, I express my very deepest gratitude to those—my honorable friends sitting behind me—who not merely placed me in a position of honour as their

leader, but have given me their loyal and zealous and unswerving support from beginning to end of a most arduous undertaking. I especially thank my honorable friend Senator Sargood, for the kind words he used yesterday. I would add that, to all my honorable friends who hold opposite views from those which I entertain, I can only say that I am also grateful. I feel that their zeal, which was most marked, was always tempered by forbearance to myself and to those who felt and acted with me—a forbearance reciprocated from our side. I am quite sure that this Tariff controversy has not weakened, but I honestly believe has strengthened, the feelings of mutual respect—which, I am sure, do exist—between my honorable friends on the opposite side and myself. I cherish that conviction in any case, and I believe with my honorable and learned friend, Senator O'Connor, that these controversies, now that they are brought to an end, have left no wound—not even a sting of bitterness—behind. I do not know whether this is owing to any special sweetness of temper on my part; but I am convinced that this Bill emerges now from our debates, and is placed on the plane of its third reading, without any bitterness of feeling whatever accompanying it. My honorable and learned friend spoke of the feeling of restfulness that will be produced in the country. Whether that is so or not—and I have given some reasons why I think the result of our efforts is not likely to have that effect fully—I do hope that the country, if not satisfied with the work itself, will be satisfied with the effort we have made to do our work faithfully and well, and will recognise that we have certainly on all sides tried to do our best.

Senator CLEMONS (Tasmania). — I should like to avail myself of the present opportunity of saying good-bye to this Tariff—good-bye to a Tariff which is the first I have ever been engaged in assisting to frame, and to our work, of which I shall certainly cherish the most pleasant recollections. I say that advisedly, because I have enjoyed the work up to the hilt. I have enjoyed it, I suppose, because I like fighting; I frankly admit that—if I did not say it myself, I suppose I should be told so by others! I have enjoyed the work for that reason; and even the fact that my joy is to a certain extent diminished by

the result will not prevent me from saying that I feel a certain amount of regret that the consideration of the Tariff is finished. But with regard to the result, I think it my duty to say, as one of the representatives of Tasmania, that I cannot refrain from giving expression to a certain amount of disappointment. We entered into this controversy, as we all know, with the desire of bringing parties together—if they could be brought together—for the purpose of constructing a tariff calculated to produce revenue. That desire for revenue was, of course, a desire, not merely that the Commonwealth itself should have a firm financial basis, but that our various States, which loyally entered into federation, should emerge from the Tariff discussion with some fair and reasonable hope that their own financial arrangements would not be cruelly disturbed. I regret to say, speaking freely, that, so far as my own State is concerned, Tasmania, at any rate, does not emerge from the Tariff debates with much satisfaction to herself.

Senator PLAYFORD.—The honorable and learned senator has to thank the revenue tariffists for that.

Senator CLEMONS.—I may have to thank them, but so far as Senator Playford is concerned, I have no fault to find with him. In regard to many items we have found him, as we have found one another at times, voting in directions which we did not like, but I make no special indictment against him. I do say, however, that I feel the very greatest regret—and shall for a very long time feel regret—that certain items in this Tariff have not been dealt with as many of us felt they should have been. I do not want to raise controversial questions at this stage; but, free-trader as I am, I cannot help saying that, for instance, I regret that we did not impose a big revenue duty on tea, because such a duty would have brought great financial relief to my own State. I know that there are arguments against such a duty, but I do not wish to allude to them now. There are other matters about which I was pained at the result of the deliberations of the committee. One was the matter of increasing the excise on tobacco. That troubled me more than any other item in the whole of the Tariff, because I recognised in connexion with it that there were abundant opportunities, without doing harm to any one, to secure more revenue. But we failed. I must

recognise—and I do so cordially and fully—that my honorable friends opposite—and we are friends in spite of these debates—must themselves regret very much the results of the debates upon the Tariff. Although I cannot at this late stage regret that I am not a protectionist, if I were a protectionist I hope I should be bold enough to go the whole way. I should feel very sorry for the result, on the ground that I should like my protection to be aggressive; I should like it to be a protection of a different character from what my honorable friends opposite must regard the protection of this Tariff as being, a protection which helps a lame dog over a stile. They have succeeded in making it a Tariff the effect of which will be to make a State jack-of-all-trades and master of none. If I were a protectionist, I should like to see inaugurated a strong aggressive policy of protection, which would, if that were possible, do what a protective Tariff is intended to do. In that respect this Tariff, in my opinion, fails lamentably. It fails because it has attempted to do, what I, as a free-trader, must recognise as almost an impossible feat—to harmonize protection and revenue production. My honorable friends opposite have not succeeded either in so strengthening any particular manufacture, or any particular source of production, in the whole of the Commonwealth, as to enable the industry to defy the whole world, and to say—"We have secured the means not only of supplying ourselves and of becoming self-supporting, but also of competing with the whole world." I should imagine that a protectionist would desire to aim at that result.

Senator PLAYFORD.—The honorable and learned senator would go in for prohibition then?

Senator CLEMONS.—I should go for prohibition if I were a protectionist.

Senator DAWSON.—If the honorable and learned senator did that people would say that he was crazy, and would run him up to Yarra Bend.

Senator CLEMONS.—I should say that what was good for an individual was good for a nation. The best thing for an individual to do is to specialize and, therefore, the best thing for a nation to do is to specialize. But by means of this Tariff no such attempt has been made. There is no attempt to make Australia either a great manufacturing or a great producing country.

Senator O'CONNOR.—Why did not the honorable and learned senator tell us before that he was in favour of that?

Senator CLEMONS.—I should not have supported such a policy, but I am merely expressing my sympathy with my honorable friends opposite and pointing out what I think the sound policy from their point of view would have been.

Senator STYLES.—We were quite willing to go for what the honorable and learned senator describes, but we had not got the numbers.

Senator CLEMONS.—I am not going to dwell any longer upon that aspect of the question. I have only to add one criticism, and that is that though the Tariff, as has been pointed out, does produce a great amount of revenue—a larger amount than it was necessary to tax the people to produce—the scheme of it fails in respect to the destination of that revenue to the various States. I offer now at the completion of the Tariff the same criticism as I offered at its beginning—that it is framed in such a way that its main object is to raise a certain total amount of revenue irrespective of the direction in which that revenue is to go. In that lament I feel sure that I shall have the sympathy of my fellow senators from Queensland; and a similar sympathy ought to be extended both to Tasmania and Queensland by the senators from the other States represented here, because the fact remains that now we have finished with the Tariff two of the States out of the six have to face a huge financial loss. With regard to the rest of the matter, I should like to say that I have enjoyed this fight tremendously. So far as I am concerned the debates have vastly increased my respect for honorable senators opposite. Especially I should like to say that, coming to the Senate entirely new to parliamentary life, I have obtained in a very limited space of time—although the session has been a prolonged one—a more extensive education in political methods and parliamentary practice than I could have hoped to attain in many years.

Senator PEARCE (Western Australia).—I should like to say a word, without entering into the merits of the Tariff, in regard to the manner in which the Chairman of Committees has performed his very arduous duties during these Tariff debates. I think that honorable senators on all sides have recognised his impartiality. He certainly

has been strict in keeping the debates within bounds, but I am certain that every one will now admit that his strictness was justified by our diffuse arguments at times. When we look back upon the debates which have taken place, we must recognise that they would have been much prolonged had it not been for the wise discretion exercised by our Chairman of Committees.

Senator O'CONNOR.—We should have been a month longer over it.

Senator PEARCE.—I feel sure that we should have been. Honorable senators generally will recognise that no small credit is due to the Chairman of Committees for the exercise of such wisdom in keeping honorable senators to the questions before the chair. I think that the public are under a debt of gratitude to him for the work he has done, and we should recognise by our comments the value of the services he has performed for the Senate.

Senator PULSFORD (New South Wales).—Senator O'Connor has told us that he hopes that Australia will value this Tariff, and will appreciate the policy which it embodies. For my own part I wish to say that Australia contains a considerable number of people, who will not be satisfied until this Tariff has been replaced by one based upon lines of more justice and impartiality in the imposition of taxation—a Tariff which will alone make Australia a great commercial nation, and a Tariff which should be desired, so that the people of Australia in the southern hemisphere may carry the same commercial flag as the mother country carries in the northern hemisphere.

Senator KEATING (Tasmania).—Before the motion is carried, I should like to say a word or two with regard to the criticism which has been offered many times and in many places as to the operation of the Tariff upon the Treasuries of the various States. We have heard on different occasions that the incidence of this Tariff will result in practically what might be called a species of financial disaster to some of the smaller States, and especially to Queensland and Tasmania. I think it is due to ourselves that we should recognise and bring before the public of Australia the fact that, under the separate State régimes, the people of those States, compared with the people of the other States, drew to an inordinate extent upon the Customs and

Excise for their total revenue. In Tasmania—which, in company with the five other honorable senators from that State I have the honour to represent—we have drawn from those sources something like 50 per cent. of our total revenue. We had long recognised that it would be absolutely impossible for us to go on under these conditions for many more years, and if the effect of the Tariff upon the State Treasuries has been to cause a necessity for an alteration in the incidence of State taxation, then I say that, to a great extent it has possibly only anticipated work which, in any event, would have had to be done in those States at no very distant time. Reference has been made from the other side to the fact that those sitting behind the Government have not obtained in this instrument of taxation all that they designed to obtain when they constituted themselves protectionists. We have recognised that. Honorable senators opposite have also recognised that they have not obtained—that they cannot obtain under the exigencies of the situation—all that they desire. We have both been bound down by the necessities of the occasion, and the special necessity of raising by means of this particular kind of taxation a certain amount of income for the Commonwealth Treasury. Although we are not literally, strictly, and technically bound to resort to this method, yet, in taking over from the several States the Department of Customs and Excise, and preventing them for all future time from resorting to customs and excise as a means of State taxation, there has been, I venture to say, a moral obligation on the part of the Federal Legislature to raise its revenue primarily from this source. If that position is once conceded, then we cannot have on the one side either extreme protection—which, I grant, Senator Clemons means prohibition—nor can we have on the other side the extreme free-trade which many honorable senators opposite desire. If we on this side have no cause for self-gratulation, inasmuch as we have obtained nothing in the way of prohibition, nothing which would tend to establish a large system of Australian manufactures, and put Australia in a position to be able to defy the world, I think we have to say to the other side—“You, too, who call yourselves free-traders, are not in a position to say that you have shown in this Tariff anything

like that rigid academical adhesion to principles which would naturally be expected from free-traders.” We have both been bound by the exigencies of the occasion. If I were a free-trader, I should like practically to see the Customs-houses swept away. I should like to see the revenue of the country raised from other sources. But I recognise that honorable senators opposite must conform just as we on this side have to do, to the conditions that are placed before us; that we must design an instrument of taxation for the collection of revenue which shall have regard primarily to the collection of revenue, and which, so far as we on this side are concerned, will not at the same time be framed blindfoldedly, and without any regard to the existing industries of Australia, and to the existing capabilities in Australia for future development.

Senator Lt.-Col. GOULD (New South Wales).—While I recognise that it would be impossible for us to have a Tariff which would satisfy both protectionists and free-traders alike, I think that this Tariff might have been cast upon very different lines; upon lines which would still have returned the full amount of revenue desired in the interests of the Commonwealth, and given what my honorable friends opposite are anxious to see, and what I should have regarded as a fair modicum of assistance to the manufacturers of the country. In entering the Commonwealth Parliament, I, in common with other representatives from the free-trade State of New South Wales, recognised that revenue would have to be the primary consideration in dealing with the Customs and Excise Tariff Bills. But we were led to believe that from 10 to 15 per cent. duties would only be proposed—that 15 per cent. would practically be the high water-mark. When we saw the Tariff, as originally introduced, we recognised that we were face to face with a measure, not introduced as a revenue Tariff, but one which was brought forward, and boastfully put forward, as a protectionist Tariff. It occurred to me then that the Government had departed very widely from the promises they held out to the people of the country when the Commonwealth was asked to choose its representatives. I refer primarily to the speeches delivered by the Prime Minister and other public men in New South Wales. We were told then that in framing a Tariff, the principal object of the Government would be to

secure revenue, that there would be no protection, as protectionists understand the term, and no free-trade, in the sense known to free-traders.

Senator GLASSEY.—That is not so.

Senator Lt.-Col. GOULD. — So far as New South Wales is concerned, that statement was distinctly put before the people.

Senator GLASSEY.—The Government statement was exactly the opposite.

Senator Lt.-Col. GOULD.—Then we read the speeches differently. I am not referring to what was said in Queensland or Victoria, but to the representations made in New South Wales.

Senator GLASSEY.—I am speaking of the Maitland speech.

Senator Lt.-Col. GOULD.—The words used by the Prime Minister in his Maitland speech were "revenue without destruction." We were told that revenue without destruction was to be the first consideration; but the Tariff was not in conformity with that promise. I recognise that, although they appear to be in a minority, the free-trade party in another place have accomplished a great deal of solid and useful work in dealing with the Tariff, and I believe that honorable senators on the free-trade side have also done useful work in reducing the duties.

Senator GLASSEY.—They have done a great deal of destructive work.

Senator Lt.-Col. GOULD.—The honorable senator may think so, but I do not agree with him. I regret that we were not successful in reducing many of the duties as we desired, but I would point out that in dealing with the Tariff the strongest free-traders in this Chamber were loyal to the principle that it should be a revenue Tariff; that it should not be prohibitive; that it should not be destructive of revenue, but that it should be revenue-producing. The Vice-President of the Executive Council expressed the hope that honorable senators on this side would begin to take a pride in the industries of our country, but I contend that we have from the first taken a pride in them. Free-traders are as keen in their desire to see the country progress and prosper as are the protectionists. I admit they view the matter from different stand-points, but as a free-trader I say honestly and sincerely, not only for myself but for all other members of our party in the Senate, that we are just as earnest

and sincere in our desire that the country should progress as is any one else. If we did not take up that attitude we should not be worthy of the position which we occupy; we should not be fit to be citizens of this great country, which we believe will soon be a populous country, and one in which the utmost freedom to every man prevails. I should have been pleased if this Tariff had been such as to enable us to share the opinion expressed by the Vice-President of the Executive Council, that it should not be interfered with for many years to come. I should have been pleased if we could have said of it—"Here is a fair compromise between the two contending parties, and in the best interests of the country we shall be able to allow it to continue undisturbed for many years to come." Some honorable senators have said that the duty of 12½ per cent. on machinery is insufficient.

Senator STYLES.—It is merely a revenue duty.

Senator Lt.-Col. GOULD.—It is a revenue duty, and at the same time it is a duty which, having regard to its moderate rate as compared with the original proposal, will materially assist those engaged in the development of the great industries of this continent. I care not what honorable senators may say with regard to the desire that manufactories should be established throughout the Commonwealth. Our greatest duty in the present day is to see that our primary industries are first pushed ahead. We know that the Commonwealth depends largely at the present time upon the pastoral industry. We want to see it dependent more largely upon the agricultural industry and the mining industry. We desire all those industries to grow up, but without fair play, and without reasonable treatment it will be utterly impossible to push them along. I know that my honorable friends opposite say that they have helped the farmers by imposing certain duties on farm produce. But how are they going to help the mining industry? Can they place a duty upon imported gold, silver, or copper, or any of the other mineral products of this continent? It is utterly absurd to think that they can do anything of the kind. The men engaged in the mining industry have to rely in all circumstances upon the markets of the world, and once agriculture is developed so as to overtake the immediate local wants, agriculturists are equally dependent upon the markets of the

Excise for their total revenue. In Tasmania—which, in company with the five other honorable senators from that State I have the honour to represent—we have drawn from those sources something like 50 per cent. of our total revenue. We had long recognised that it would be absolutely impossible for us to go on under these conditions for many more years, and if the effect of the Tariff upon the State Treasuries has been to cause a necessity for an alteration in the incidence of State taxation, then I say that, to a great extent it has possibly only anticipated work which, in any event, would have had to be done in those States at no very distant time. Reference has been made from the other side to the fact that those sitting behind the Government have not obtained in this instrument of taxation all that they designed to obtain when they constituted themselves protectionists. We have recognised that. Honorable senators opposite have also recognised that they have not obtained—that they cannot obtain under the exigencies of the situation—all that they desire. We have both been bound down by the necessities of the occasion, and the special necessity of raising by means of this particular kind of taxation a certain amount of income for the Commonwealth Treasury. Although we are not literally, strictly, and technically bound to resort to this method, yet, in taking over from the several States the Department of Customs and Excise, and preventing them for all future time from resorting to customs and excise as a means of State taxation, there has been, I venture to say, a moral obligation on the part of the Federal Legislature to raise its revenue primarily from this source. If that position is once conceded, then we cannot have on the one side either extreme protection—which, I grant, Senator Clemons means prohibition—nor can we have on the other side the extreme free-trade which many honorable senators opposite desire. If we on this side have no cause for self-gratulation, inasmuch as we have obtained nothing in the way of prohibition, nothing which would tend to establish a large system of Australian manufactures, and put Australia in a position to be able to defy the world, I think we have to say to the other side—"You, too, who call yourselves free-traders, are not in a position to say that you have shown in this Tariff anything

like that rigid academical adhesion to principles which would naturally be expected from free-traders." We have both been bound by the exigencies of the occasion. If I were a free-trader, I should like practically to see the Customs-houses swept away. I should like to see the revenue of the country raised from other sources. But I recognise that honorable senators opposite must conform just as we on this side have to do, to the conditions that are placed before us; that we must design an instrument of taxation for the collection of revenue which shall have regard primarily to the collection of revenue, and which, so far as we on this side are concerned, will not at the same time be framed blindfoldedly, and without any regard to the existing industries of Australia, and to the existing capabilities in Australia for future development.

Senator Lt.-Col. GOULD (New South Wales).—While I recognise that it would be impossible for us to have a Tariff which would satisfy both protectionists and free-traders alike, I think that this Tariff might have been cast upon very different lines; upon lines which would still have returned the full amount of revenue desired in the interests of the Commonwealth, and given what my honorable friends opposite are anxious to see, and what I should have regarded as a fair modicum of assistance to the manufacturers of the country. In entering the Commonwealth Parliament, I, in common with other representatives from the free-trade State of New South Wales, recognised that revenue would have to be the primary consideration in dealing with the Customs and Excise Tariff Bills. But we were led to believe that from 10 to 15 per cent. duties would only be proposed—that 15 per cent. would practically be the high water-mark. When we saw the Tariff, as originally introduced, we recognised that we were face to face with a measure, not introduced as a revenue Tariff, but one which was brought forward, and boastfully put forward, as a protectionist Tariff. It occurred to me then that the Government had departed very widely from the promises they held out to the people of the country when the Commonwealth was asked to choose its representatives. I refer primarily to the speeches delivered by the Prime Minister and other public men in New South Wales. We were told then that in framing a Tariff, the principal object of the Government would be to

secure revenue, that there would be no protection, as protectionists understand the term, and no free-trade, in the sense known to free-traders.

Senator GLASSEY.—That is not so.

Senator Lt.-Col. GOULD.—So far as New South Wales is concerned, that statement was distinctly put before the people.

Senator GLASSEY.—The Government statement was exactly the opposite.

Senator Lt.-Col. GOULD.—Then we read the speeches differently. I am not referring to what was said in Queensland or Victoria, but to the representations made in New South Wales.

Senator GLASSEY.—I am speaking of the Maitland speech.

Senator Lt.-Col. GOULD.—The words used by the Prime Minister in his Maitland speech were "revenue without destruction." We were told that revenue without destruction was to be the first consideration; but the Tariff was not in conformity with that promise. I recognise that, although they appear to be in a minority, the free-trade party in another place have accomplished a great deal of solid and useful work in dealing with the Tariff, and I believe that honorable senators on the free-trade side have also done useful work in reducing the duties.

Senator GLASSEY.—They have done a great deal of destructive work.

Senator Lt.-Col. GOULD.—The honorable senator may think so, but I do not agree with him. I regret that we were not successful in reducing many of the duties as we desired, but I would point out that in dealing with the Tariff the strongest free-traders in this Chamber were loyal to the principle that it should be a revenue Tariff; that it should not be prohibitive; that it should not be destructive of revenue, but that it should be revenue-producing. The Vice-President of the Executive Council expressed the hope that honorable senators on this side would begin to take a pride in the industries of our country, but I contend that we have from the first taken a pride in them. Free-traders are as keen in their desire to see the country progress and prosper as are the protectionists. I admit they view the matter from different stand-points, but as a free-trader I say honestly and sincerely, not only for myself but for all other members of our party in the Senate, that we are just as earnest

and sincere in our desire that the country should progress as is any one else. If we did not take up that attitude we should not be worthy of the position which we occupy; we should not be fit to be citizens of this great country, which we believe will soon be a populous country, and one in which the utmost freedom to every man prevails. I should have been pleased if this Tariff had been such as to enable us to share the opinion expressed by the Vice-President of the Executive Council, that it should not be interfered with for many years to come. I should have been pleased if we could have said of it—"Here is a fair compromise between the two contending parties, and in the best interests of the country we shall be able to allow it to continue undisturbed for many years to come." Some honorable senators have said that the duty of 12½ per cent. on machinery is insufficient.

Senator STYLES.—It is merely a revenue duty.

Senator Lt.-Col. GOULD.—It is a revenue duty, and at the same time it is a duty which, having regard to its moderate rate as compared with the original proposal, will materially assist those engaged in the development of the great industries of this continent. I care not what honorable senators may say with regard to the desire that manufactories should be established throughout the Commonwealth. Our greatest duty in the present day is to see that our primary industries are first pushed ahead. We know that the Commonwealth depends largely at the present time upon the pastoral industry. We want to see it dependent more largely upon the agricultural industry and the mining industry. We desire all those industries to grow up, but without fair play, and without reasonable treatment it will be utterly impossible to push them along. I know that my honorable friends opposite say that they have helped the farmers by imposing certain duties on farm produce. But how are they going to help the mining industry? Can they place a duty upon imported gold, silver, or copper, or any of the other mineral products of this continent? It is utterly absurd to think that they can do anything of the kind. The men engaged in the mining industry have to rely in all circumstances upon the markets of the world, and once agriculture is developed so as to overtake the immediate local wants, agriculturists are equally dependent upon the markets of the

world. The fictitious help given to the manufacturers of metal and machinery by no means assists the farmers. The farmers are only being deceived when they are told—"You are asked only to give the benefit of a duty to men who are going to manufacture your implements, while they give you the benefit of a high duty upon your produce." What will be the value of a duty on wheat, flour, hay, or chaff, when seasons are good, and when we have an over-production? In those times no help can be given by such a duty; but in times of scarcity those who are fortunate enough to hold agricultural produce are enabled by means of these duties to make money at the expense of the rest of the community. If we go back to the days of the old corn laws in Great Britain, we must recognise that, as prices went up, duties went down. Even in those days the Government recognised that they had no right to keep up prices under a system of heavy duties. Here the present Government do not adopt that view. They say—"Here are the fodder duties; they are not operative during normal seasons, but when they are, they are operative at the expense of the masses of the people. Nevertheless, the farmers shall have an opportunity to avail themselves of these advantages." The question of the fodder duties is a bitter one at the present time in New South Wales and Queensland. I say that notwithstanding an interjection made the other night that this was to the benefit of the farmers, it has not been for their benefit. It may have been temporarily of benefit to a few middlemen and a few farmers, but the advantage given to the farmers, if there be any, is more than counterbalanced by the depression which exists generally throughout the continent in consequence of high duties of this character. There may be a few farmers and speculators who have benefited, but surely all the farmers in the Commonwealth are not centred in one or two little portions of Australia? Have we not farmers in New South Wales and Queensland? There are dairy farmers and ordinary farmers in those States, and all those men are being punished and are suffering for a possible benefit to a few of their brethren. I regret it very much, but there is the law, and we must abide by it and do the best we can with it. I say, however, that it would have tended far more to create a feeling of contentment

Senator Lt.-Col. Gould.

amongst the people of the country had honorable senators representing the more fortunate States said—"We recognise that our brethren are in trouble and misfortune, and they are therefore entitled to assistance." If that had been said the people would have been given some reason to believe in the benefits of Federation. Assuming, for the sake of argument, that during all these troublesome times New South Wales had been outside the Federation, with her free ports and absence of duties, her farmers and pastoralists, and her people generally, would have had the benefits of the markets of the world to draw their importations from.

Senator STYLES.—They would not have had the benefit of the markets of Australia to send their produce to.

Senator Lt.-Col. GOULD. — Unfortunately they have not had very much produce to send anywhere. I say they would have been in a better position to-day, and it would have been well if they could have realized the fact that there was a feeling of brotherhood existing in the other States. Instead of their being able to realize that, the very reverse appears to have been the attitude of honorable senators representing other States. However, I do recognise that we have modified the Tariff in very many respects. I have already said that I should have liked an opportunity of saying good-bye to Tariff discussions for some years to come, but I feel that while we may be parting with our Tariff during the lifetime of the present Parliament, or until the end of next year or a little later, we shall nevertheless have to remember that the States themselves have yet to speak upon this great question, and I am very doubtful of the grounds for the sense of security which some honorable senators are hugging to their bosoms. I recognise there will be a strong feeling existing in the States—

Senator STYLES.—In favour of protection.

Senator Lt.-Col. GOULD.—Possibly, in my honorable friend's State; but in the other States it will be in favour of greater freedom of trade; and the probability is that their experience of the grasping character of certain sections of the community during this hard time will be one of the greatest incentives to them to send men pledged to greater freedom of trade than we can ever enjoy under this Tariff. Therefore, while I believe that we are parting with the

Tariff for eighteen months or two years, I am by no means sure that during the lifetime of the next Parliament this will not be a burning question again, and one which will cause a disturbance of trade. I recognise that we should not disturb trade any more than we can possibly help; but if we find it necessary to cause a disturbance in trade, in order that the bulk of the people may be fairly and honorably treated, it will be our duty to take up the cudgels in their behalf. If, during the next few years, it is proved that this Tariff will work fairly well, of course there will be no movement on the part of the country to alter it, but I very much doubt that that will be the case. I recognise as the leader of the Government in this Chamber, and the leader of the Opposition has said to-day, that there has been in debating this matter an absence of the feeling of irritation which usually exists when a Tariff is being dealt with. I recognise that there has been an absence of recrimination, and that, whilst we have had some very strong debates upon the questions involved, we have been able, as I hope we shall always be, to differ strongly in opinion, and, at the same time, be none the worse friends. Whilst we have been actuated, as I believe we have been, by the desire to do what is best for the Commonwealth, and whilst we recognise that every honorable senator has the right to the expression of his opinion in the strongest and most forcible language possible, we have realized that we can continue to be good friends however strongly we may differ upon these matters.

Senator PLAYFORD (South Australia).—It appears to me that the proper course to adopt in this case would have been to have permitted the Vice-President of the Executive Council to have had his say, and the leader of the Opposition to reply, and then to have closed the debate. They expressed their mutual congratulations, the two speeches were in excellent taste, and there was not the slightest necessity for my young friend, Senator Clemons, to get up and air his eloquence upon the subject. That honorable and learned senator started the whole discussion, and there was no necessity for it.

Senator CLEMONS.—If I had not done so, some one else would.

Senator PLAYFORD.—I should not have risen upon this occasion had it not been for two statements made by Senator Gould, which, I think, the honorable and learned

senator should not have made, and which I do not intend to allow to go unchallenged. He has repeated a statement which has been made on more than one occasion in this House, that the Government in the introduction of the Tariff in the House of Representatives absolutely broke the pledges they had given to the constituencies and the country.

Senator Lt.-Col. GOULD.—So they did.

Senator PLAYFORD.—I give that statement an unmistakable denial. I read every word that Sir Edmund Barton said upon the subject. I stood on the platform beside him in the city of Adelaide and heard every word he said there, and what he said was that the Government desired to get revenue without the destruction of industries already established throughout the States.

Senator Lt.-Col. GOULD.—Did the honorable senator read Mr. Kingston's speech in introducing the Tariff, when he congratulated honorable members in another place upon the fact that a highly protective Tariff was being introduced?

Senator PLAYFORD.—It is only a question of degree. It was not a specially high protective Tariff compared with the Tariffs in force in the States. It was not nearly so high as the Tariff previously in force in Victoria. In connexion with a great many items, it was not nearly so high as the Tariff previously existing in Queensland and in other States. It was not a specially high protective Tariff.

Senator DAWSON.—On what item was it lower than the Tariff in Queensland?

Senator PLAYFORD.—On tobacco, machinery, butter, and a great many other items. Then, in introducing the Tariff, a Government always provides for something to come and go upon. As an old parliamentary hand, I know that it is wise for a Government, in the introduction of a Tariff, not to propose exactly what they want, but to propose something a little higher, that they may be able to give away a little. I can understand my old pupil, Mr. Kingston, in introducing the Tariff, proposing something higher than he expected the Tariff would eventually be, because he knew that he must have something to give away. We have to consider the Opposition, as well as any friends who may ask for little reductions. They are mightily pleased when they get them. They glorify themselves throughout the country by saying that by their action they have absolutely succeeded in securing the reduction of certain duties to the

great benefit of the country at large. The Government must cater a little for these people, and I have no doubt the present Government catered for them in the introduction of this Tariff, and introduced a higher Tariff than they anticipated would pass, because they knew they would have to give way upon certain articles and make certain compromises, as they have done. The next statement made by the honorable and learned senator, and to which I take exception, is that the members of his party in the Senate have not been met in a spirit of brotherhood, and that the feeling of brotherhood does not exist in the Senate. I say there is not the slightest justification for any such charge against any honorable senator in this Chamber. If any honorable senator has shown any spirit other than that of brotherhood, it has been quite unknown to me. Take one instance. Was it not the spirit of brotherhood that induced honorable senators to agree to the taxation of the whole of the people of the Commonwealth in the matter of sugar? Was that not an evidence of the kindly feeling prevailing towards Queensland?

Senator LT.-COL. GOULD.—No, it was because of the policy of a white Australia that that was done.

Senator PLAYFORD.—Have we not in every direction tried to meet the peculiar circumstances of each State? The honorable and learned senator, in dealing with this matter, referred to the duties upon hay, chaff, and wheat, and said we did not meet New South Wales in a spirit of brotherhood in connexion with those duties. When the request was first made to the Government that they should suspend the collection of duties upon fodder for a certain time—which they had no power to do—for the benefit of the pastoralists of New South Wales, what did the Government do? They wrote to the Governments of the various States asking whether they would approve of the suspension of the collection of those duties for a certain time, with the result that the Governments of most of the States, and of my own State, I know, said—“No, that is not fair.” The position is plain enough. Who gets the benefit of these duties levied upon fodder? Is it not each individual State? If so, the Governments of those States that are most in want of fodder, and have to import fodder on which the duties are levied, should relieve their

own people, and they should not call upon Tasmania and other States to help them.

Senator LT.-COL. GOULD.—It should not be mutual help, but self-help.

Senator PLAYFORD.—The Government of New South Wales, in consideration of the fearful losses the pastoralists were sustaining in consequence of the drought, should have said—“We will pay the duty, and there will be no further trouble.” That was the proper thing for them to have done. It was altogether a mistake for them to come whining to the Commonwealth, and for their representatives to come here and abuse honorable senators and complain that there was no feeling of brotherhood exhibited towards them. The whining and yapping we have heard on the subject has not been creditable. I cannot stand it, and I must show the want of reason in their conduct. The people who should remit the duties in a case of this sort are the people who get the benefit of the duties. The State getting the benefit of the duties in this instance was the State of New South Wales, and the State Treasurer of New South Wales should have agreed to the remission of the duties.

Senator PEARCE.—New South Wales senators did not study the interests of Tasmania in dealing with the excise on tobacco.

Senator PLAYFORD.—I do not suppose they did. I wish now to deal with one or two remarks made by the distinguished leader of the Opposition. In referring to the anomalies of the Tariff, the honorable and learned senator, as a free-trader, selected a most unfortunate example. As a free-trader he of course believes in taxation for the purposes of revenue only, and not for the purpose of protection. But the honorable and learned senator alluded to one item in connexion with which we as protectionists deplore the action which has been taken. He referred to the item of cartridges, and said that while we tax shot and powder we do not tax cartridges, and therefore the local cartridge maker is placed at a great disadvantage in carrying on his industry. We, as protectionists, deplore that. We tried to remedy it, but for some reason which I do not understand our proposal was not accepted in another place. I should like to say that Senator Clemons has a very strange idea, which he will find, as he becomes older in political life, he cannot possibly carry out. The honorable and

learned senator professes to believe in carrying logical principles to their uttermost conclusion, and he says that we, as protectionists, to be logical, should carry our protectionist principles to the extreme of actual prohibition. I wonder if the honorable and learned senator would carry his principles to that extreme if he were a protectionist? He would find that it was a very great mistake. We know the selfishness of human nature. We know that if an industry is protected to an extent which is prohibitive, the manufacturers will combine to rob the public. They will do it in any other direction they can. Even in free-trade countries, without protective duties, they form their trusts and combines for the purpose of raising prices, and pocketing larger profits. That principle dominates human nature, and a sensible, moderate protectionist will try as far as he possibly can to make his duty so high that it will give a fair and reasonable amount of protection to the manufacturers: but will, if the manufacturers combine to fleece the public, enable the importers to come in and stop their little game. That is exactly the position. I do not wish to refer to any other subject, except one on which adverse opinions have been expressed. For instance, Senator O'Connor has told us that he expects the Tariff to last for a considerable time. On the other hand, we have Senator Symon expecting that in a very short time there will be an agitation to amend this "anomalous" Tariff, which, by the way, in one part of his speech he claimed was pretty fair. He said that it had been improved, and that, taking it all round, it was a very good Tariff even from his stand-point; but still he considered it was not sufficiently good to satisfy the people of this country, and that there would be an agitation for some alteration to be made. The senators for New South Wales are all pessimistic with regard to it being a satisfactory solution of the difficulty, and claim that there will be a great agitation against its continuance. Although I do not like the Tariff, because it is not quite protective enough from my moderate stand-point, still I take it as an exceedingly fair compromise. I think it will be found that the people of Australia, as a whole, will say that it is. We cannot expect to have our own way, either as protectionists or free-traders. The two Houses have come to a very fair compromise, and I think it will be

found that after it has been in operation for a year or two, and the trouble which necessarily arises in the initiation of a new system has subsided, not a word will be heard about the Tariff. I do not believe that we shall hear a word about the Tariff then even in New South Wales. If any State is going to gain advantages in the long run from a moderate protectionist Tariff like this one, it is New South Wales. With a magnificent supply of coal and of iron she has the key to the manufacturing industries of Australia, and will benefit to an immense extent from this moderate protective Tariff. In spite of all that Senator Pulsford says about the Tariff, he will find that in a year or two the people of his State, with the exception of a few importers, will be very well satisfied with it.

Senator PULSFORD.—Not they.

Senator PLAYFORD.—I feel confident that they will. The protection which it gives to the sugar industry, to the manufacturers of machinery, and in a variety of ways will cause the expenditure of capital, and in consequence of the coal supply—and coal is one of the principal items in the cost of manufacturing—it is bound, if any State is, to feel the benefit and good effects of the Tariff. My own opinion is that very soon the people of Australia will quieten down, and that the Tariff, with perhaps an alteration here and there, will last for a good many years.

Senator DOBSON (Tasmania).—As the Senate has little or no work to do, I make no apology for speaking for a few minutes on this historic occasion. But unlike some honorable senators I desire to express my satisfaction with the work which has been done. We have been engaged on the Tariff for eleven months, and have we been wasting our time? Have we been framing a Tariff which gives satisfaction to no one? I do not think so. I think that during that period of arduous work we have framed a Tariff which is now absolutely a realization of the Prime Minister's statement at Maitland, that we should have a Tariff which would give "revenue without destruction of industries."

Senator Sir FREDERICK SARGOOD.—Now it is.

Senator DOBSON.—I am not going to discuss what the Tariff was when it was introduced. Owing to the graceful giving way on behalf of the Government, and the thoroughly good work and great industry of

the revenue-tariff party, it is to-day as near as may be exactly that sort of compromise which we were all led to expect.

Senator DAWSON.—On what did the Government give way?

Senator DOBSON.—The Government constantly gave way—it might have been when they found that the numbers were up, but there was a very great amount of give and take on both sides. Instead of criticising the work of Parliament unfavorably, I desire to criticise it favorably. I believe we have done practically what the people expected of us, and that was to make a fair compromise between the fiscal parties. I join with Senator Playford in the hope that we shall not have another fiscal agitation in a few months' time, because I believe that the commercial, as well as the manufacturing community, especially the latter, want rest, and certainty. They wish to know where they are, and I doubt if we should be doing any good to the Commonwealth by having a new Tariff placed before us in eighteen months' time. But if it contains a few anomalies that need correcting, or a few items which are unjust and need interpretation, an amending Bill might be introduced for that purpose. So far as my State is concerned, I suppose I have no more cause for dissatisfaction with the Tariff, from the revenue point of view, than have the senators for any other State, but that I am afraid in most instances could hardly have been helped. It is an unfortunate fact that the duties on all the revenue producing items have been greatly reduced—for instance, sugar, tobacco, tea, kerosene, and apparel. I should have liked to see the duty on apparel 5 per cent. less than it is. We need not talk about the sugar duties. We all know that they were imposed as an act of kindness to, and sympathy with our brothers in Queensland, as a compensation for the loss of black labour. I think, however, that we have to blame the revenue-tariff party for not having given us, what we ought to have had, a 3d. duty on tea. I wish to say a word on behalf of the consumers of that article. It appears to me that some tea merchants are making an enormous profit out of the abolition of the duty. I find that the consumers in more States than one—I have made inquiries—are not getting the benefit of its abolition. Some of the leading grocers and tea distributors are now charging exactly the same prices as they charged before, and the only excuse they have to offer is that they are

supplying a better article. The abolition of the duty was I believe a very great mistake. I affirm most earnestly that the consumer is not getting the benefit which my friends in the labour party expected when they talked about a free breakfast table.

Senator DAWSON.—The honorable and learned senator is entirely mistaken.

Senator DOBSON.—I wish to point out to Senator O'Connor a fact and to remind him of a promise. In Tasmania, under the State Tariff, we collected about £40,000 a month—£42,000 on one occasion. Under the Federal Tariff the collections dwindled down to about £30,000, and for the last month or two they have amounted to £20,000 or £21,000. There is an enormous difference between £40,000 and £20,000 per month. If the collections continue to be £21,000 per month, Tasmania will be in great financial distress. It remains to be seen what revenue the Tariff will bring in. The promise I allude to on the part of Senator O'Connor was that, if it should be found that some of the smaller States have not sufficient revenue to carry on with, as they ought to have, Ministers will very favourably consider the introduction of a Bill to impose a duty on tea. I remind the honorable and learned senator of that promise, because from the way in which Tasmania's revenue is being collected, it appears to me that our shortage will be enormous. Senator Clemens made some remarks which I hardly understand. He said that if he were a protectionist he would go in for prohibition. The Tariff does a very substantial amount of justice to the protectionists. I think I have heard Senator Clemens, certainly my honorable leader, Senator Symon, declare again and again—and that is why I voted with them—that while we did reduce duties 5 per cent. here and 10 per cent. there, we still left a very fair and moderate amount of protection, added to the natural protection, to almost every industry which can be named, and we did that out of a policy of fair play and compromise. Therefore, I am astonished to hear Senator Clemens say now that a protectionist ought to go in for almost a prohibitive duty.

Senator CLEMENS.—On a few special items.

Senator DOBSON.—On no articles ought protectionists to have a duty which gives a monopoly of the market. If they have any protection at all it ought to be such a

moderate duty that it will let in imports and leave room for competition, so that the consumer will have a chance of getting a really good article—a choice between a Commonwealth article and an imported one. I desire to thank Senator O'Connor for the enormous amount of information which he gave us on the various items, and the tact, temper, and skill with which he conducted the Tariff through the committee. I think that we shall all hereafter, and I hope very shortly, have to take a wider view of the fiscal question, and consider how it affects the Empire, and not merely Australia. I express my disappointment—I hope I may be wrong—with the very small progress which has been made at the other end of the world, in Mr. Chamberlain's office, with regard to defence and the commercial union of the Empire.

Senator Sir FREDERICK SARGOOD.—A very big subject, indeed, and a very difficult one, too.

Senator DOBSON.—It is a very big subject surrounded with difficulties, but when statesmen, one after another, declare that free-trade, or something approaching free-trade within the Empire, with moderate duties against the outside world is impossible, I do not agree with that declaration. I look forward to a time when we shall have something like free-trade within the Empire, or, at all events, very moderate revenue duties, and when the Commonwealth of Australia will join with the motherland in a fiscal policy which will consolidate the Empire, take the fetters off free-trade, and bring about a far greater measure of prosperity than ever we can obtain if we simply confine the fiscal issue to the country in which we live.

Question resolved in the affirmative.

Bill read a third time.

ELECTORAL BILL.

Motion (by Senator O'CONNOR) proposed—

That the report of the Committee on this Bill be adopted.

Senator DRAKE (Queensland — Postmaster-General).—I move—

That all the words after “that” be omitted with a view to insert in lieu thereof the words, “the Bill be recommitted for the reconsideration of amendments Nos. 104, 110, 162, 180, 192, 196.”

Amendment No. 104 deals with new clause 140A to which the committee previously disagreed. I propose to submit a

clause in the place of the one that was disagreed with. Amendment No. 110 deals with clause 146, in which a consequential amendment has to be made. Amendment 162 affects the clause relating to the allowance to senators. I am asking for its recommitment at the request of Senator Matheson. Amendment No. 180 concerns form M, which was agreed to through an inadvertence. I propose to move that it be disagreed with. That would be consequential upon what the committee has previously done. Amendment 192 deals with form Q, and the same remark applies to that as to form M. Amendment 196 deals with form R1, which will be unnecessary if the new clause which I propose to submit is adopted.

Amendment agreed to.

Question, as amended, resolved in the affirmative.

In Committee :

Senator DRAKE.—As the Bill was sent up to the House of Representatives it contained a provision for the issue of voters' certificates. The Bill was amended by the House of Representatives by striking out that provision, and substituting amongst other matters new clause 140A, which is as follows:—

Any elector may vote at the polling place for which he is enrolled, or if he is absent from the polling place for which he is enrolled, may vote at any other polling place within the division in which his polling place is situated, if he makes and signs before the presiding officer a declaration in the form R1 in the schedule.

It was pointed out when the clause was discussed here, that it would give an elector for the House of Representatives the privilege of voting at any polling place within his electorate, whereas a voter for the Senate would not have the privilege of voting at any polling place within his electorate outside the division where he was enrolled. Senator Dawson has given notice of an amendment making the clause applicable also to voters for the Senate who desire to vote in an electorate outside their division. It has been pointed out that the machinery provided in the Bill would not be applicable to the case of a voter for the Senate, for the reason that, whereas the roll for the division will be at every polling place within the division, the roll for all the divisions of the State will not be at each polling place. Consequently, if the amendment sought to be made in the

clause had been carried, it would have meant that an elector would have been able to vote at a polling place where the roll upon which his name appeared was not exposed. It is therefore necessary, if the provision is to be altered so as to enable an elector for the Senate to vote at any polling place, to provide some other machinery in order to safeguard the practice and prevent abuses. An amendment has therefore been drafted which will enable this to be done by means of regulations, and will place an elector for the Senate and an elector for the House of Representatives on exactly the same footing. In proposing this amendment we are practically adopting the form of legislation which has been in existence in Queensland, Western Australia, and Tasmania. It was strongly pressed upon the Senate, in a former discussion, that this was a privilege which had already been enjoyed in three of the States in connexion with federal matters, and that if we did not provide some such machinery we should really be making our electoral law less liberal than are the laws of three of the States at the present time.

Senator LT.-COL. GOULD.—This would enable an elector for the House of Representatives to vote in any division or any electorate.

Senator DRAKE.—We already have a provision in the Bill that a polling place in any division may be established anywhere by the Governor-General in Council. But this further provision will enable regulations to be made by which, in any State, an elector will be able to vote at any polling place.

Senator SIR FREDERICK SARGOOD.—This is wider than clause 140A, to which we have objected.

Senator DRAKE.—The decision of the committee, by a very narrow majority, was to disagree with the clause in question. That is now the matter for consideration. One reason for rejecting the proposed clause was that it applied to the House of Representatives to a greater extent than to elections for the Senate. What we propose is to make it applicable to elections for both Houses on the same footing. I move—

That the resolution to disagree with the amendment be rescinded.

Senator CLEMONS (Tasmania).—I wish to make a few comments on the proposed new clause, upon the assumption that the

previous decision is to be rescinded. This is a clause about which there was a very great controversy, and upon which there was a very close division. Honorable senators will remember that an amendment was originally moved by Senator Pearce, and that the committee was closely divided. I cannot exactly agree with the Postmaster-General that the present proposition is the result of very great thought and care. If we analyse it, we shall see that the only thought and care necessary in connexion with it is that which is necessary to enable a man to shelve the question, and to allow us to fix by regulation what we do not do by direct enactment. Personally, I have no objection to the alteration suggested by the Postmaster-General. I can conceive it quite possible that regulations may be framed, and I hope that both Houses will carefully consider them. These opportunities for electors to exercise the widest possible privilege should be given with those safeguards which we who oppose the clause in its present form desire and have affirmed as desirable from time to time. Assuming that those safeguards are going to be afforded, I wish to say that the opposition which I have previously offered is withdrawn. All that we have to consider is simply whether we shall allow the question involved to be decided by regulation. The proposed clause does nothing whatever; the knotty point is really postponed. If Senator Pearce and those who share his view are agreeable to this postponement, no one else who was opposed to the original provision should offer any opposition. That is my attitude. I am not going to vote in opposition to a postponement of the question, and that is what this new clause really means.

Senator DAWSON (Queensland).—I have gone very carefully through the suggested amendment, and I do not intend to proceed with the amendment which I have already circulated.

Senator PULSFORD (New South Wales).—As far as I can judge from a perusal of the proposed new clause, we are asked to jump out of the frying-pan into the fire. The original clause was bad enough, but this is infinitely worse. For a matter as important as the method of voting to be arranged by regulation is, in my judgment, most extraordinary. Regulations under a clause such as this can be varied from time to time by Ministers, and might easily be arranged with a view to the next election.

I would ask the committee to remember that the polling at the next elections will be exceedingly heavy, because we shall have women, as well as men, recording their votes. There will be an enormous pressure at the polling booths, and there will be opportunities for personation and for double voting such as Australia has never hitherto seen. In districts where the population is very scattered necessarily these opportunities will not so easily arise, but in the two great cities of Melbourne and Sydney they will be abundant. Sydney is divided into seven different electorates. In each of these electorates there are a number of polling booths, and within half an hour or an hour's railway journey from them there are two other electorates; so that there are about ten electorates in which a man bent upon furthering a certain cause can repeat his votes in the easiest possible way.

Senator PEARCE.—No.

Senator PULSFORD.—As a rule a man does not repeat his own vote, but personates some one else. There is nothing in this Bill to prevent him from doing so. I have no hesitation in saying that honorable senators from Western Australia, Tasmania, and Queensland should be largely guided in this matter by the experience which has been gained—and often bitterly gained—by people in the larger States.

Senator STANFORTH SMITH.—The people of New South Wales have had no experience of this system, but in our State we have.

Senator PULSFORD.—We have had experience of this system in New South Wales. Some ten years ago we altered the system and arranged for the issue of electors' rights. No electors' rights are to be issued under this scheme. If the electors were required to produce a right, they could go into only one polling booth, but there is no such provision, and there is not even the safeguard of small electorates. In New South Wales the metropolitan districts are divided into about 30 or 40 electorates for the State Assembly, so that a man is confined to some extent to small electorates. But for the Commonwealth Legislature the electorates are very large. The ordinary State electorate for the House of Representatives consists of five of the State Assembly electorates, and over those wide areas those who are willing to further a cause by corruption will have every opportunity to do so. I am sorry to say that my knowledge of electoral affairs tells me

that there are a large number of people who can be bought. Even if the percentage were small, that small percentage by repeated voting would be able to turn election after election. Undoubtedly the first necessity of an electoral law is, that it should secure purity of election as far as legislation can secure it.

Senator DAWSON.—We get that with the envelope system.

Senator PULSFORD.—I think I understand the system, and I must differ from honorable senators who have spoken in the direction indicated by the honorable senator. I have no hesitation in saying that under this clause there would be a very serious amount of double voting and personation, and that it would be carried on to an extent calculated in many instances to alter the balance of an election. That is certainly a matter which every honorable senator is interested in preventing. I hope the committee will carefully weigh this matter over, and be led by the experience of those populous centres where the results of a system such as these are well known. I trust that the committee will negative the proposal.

Senator MCGREGOR (South Australia).—I should like honorable senators to understand the position more thoroughly, instead of referring merely to what has occurred in New South Wales or Victoria. Under the present proposal there is no possibility of personation, because only one vote can be recorded. If regulations are framed as they ought to be framed—and it will be our duty to see that they are—a voter will be able to vote only once. His name will be sent to the polling booth for which he is enrolled, and if he is not on the roll his vote will not be recorded.

Senator Lt.-Col. GOULD.—Supposing he votes in the name of a dead man?

Senator MCGREGOR.—I know what has been done in Sydney, but that has nothing to do with the present proposal. The practice to which the honorable and learned senator refers can go on in Sydney and in Melbourne under any Electoral Act. He refers to the practice of a number of clever electioneering agents who carefully look over the roll and ascertain that "John Brown" has left the district; that "Thomas Johnston" is sick in bed, or may be dead, and somebody else will not exercise his franchise. Then these clever agents give two or three dozen sailors a pint of

beer each to personate these individuals, and, unless they are challenged, the sailors are able to vote. But the present proposition has nothing to do with corruption of that kind, nor would any corruption be possible under it. In large cities, and indeed in big country electorates, individuals voting under regulations such as are proposed would be able to vote only once. Personation might still take place, just as a sailor can leave his ship to-day, and vote in the name of somebody else; but the position would be no worse. The record of a vote would be sent in to the polling booth for which the person in whose name it was cast was enrolled. If there was any informality the vote would not be allowed, and it would not be possible for more than one vote to be recorded in the same name. Therefore, as a matter of fact, the possibility of personation under this proposal would probably be less than under any other Electoral Act already in existence. All these things have to be guarded against by the electoral officers, the electors themselves, and the agents for the candidates. We are passing legislation for a Parliament, which, to some extent, is itself an experiment, and the legislation we pass in some directions is also experimental. These regulations will be submitted to both Houses, and they will probably work very well. If the effect is not found to be all that the country would desire, it is much easier to alter a regulation than to pass an amending Act. That is an advantage which should be remembered. The iniquities of personation have been discussed before, and I have no desire to further debate the matter. Senator Playford says that a returning officer has declared against this proposal, but every returning officer declares against anything that will give him the slightest trouble. What they look to is not the convenience of the electors, but how an election may be carried out with as little trouble as possible to themselves. Nobody blames them for that, but while I should go to returning officers for their opinions upon matters of this kind, I should weigh their opinions in the light of the positions they occupy. I hope that this proposal, which is of an experimental character so far as the Commonwealth is concerned, will be carried, and I believe it will be found to be for the benefit of the electors.

Senator Lt.-Col. GOULD (New South Wales).—Honorable senators throughout

the discussion of this Bill have shown a desire to give every possible facility to enable the electors to record their votes. The only object which any honorable senator can have in opposing such a clause as 140A, and such a clause as that suggested by the Government, is to prevent fraudulent voting. As Senator McGregor has told us, this clause was debated very fully a few nights ago, and honorable senators determined to disagree to the amendment submitted by the other Chamber, the reason being that the amendment proposed would give great facilities for fraudulent voting. Whether they were right or wrong a majority of honorable senators held that opinion, and yet, having had that expression of opinion from honorable senators, we are now asked by the Government to reinstate this clause, not with a view of adhering to the clause alone as originally suggested by the House of Representatives, but with a view of passing a clause which is far more open to objection than was clause 140A. We know that the great fight upon that clause was that, so far as Senate elections are concerned, the electors should be permitted to vote in any part of a State, and should not be confined to voting within their own divisions, as in the case of elections for the House of Representatives. The same system may fairly be applied to elections for both Houses, because it is the same voter who is voting in each case. The House of Representatives has proposed that, in voting for the election of a member of that House, the voter should be compelled to vote within the division for which he is enrolled, and, by parity of reasoning, he should be compelled to vote for the election of a senator within the division in which he is enrolled. If it is desired that his privilege of voting should be extended in the case of an election of a senator, it should logically be extended in the case of elections for members of both Houses. That would manifestly open the door to all sorts of fraudulent devices for the purpose of recording votes.

Senator KEATING.—How is it it has not done so yet?

Senator Lt.-Col. GOULD.—The honorable and learned senator comes from a happy little State where they have very little experience of the wily electioneering agent. In all the great States personation has always been the difficulty with which we have had to grapple.

Senator KEATING.—Why penalize the rest of Australia because of the iniquity of some of the New South Wales electors?

Senator Lt.-Col. GOULD.—The electors are no worse in one State than in another, but where there are a large number of them the facilities for fraudulent voting are greater, and the facilities for avoiding detection are also greater. The object of confining a man to voting within his own division is that he will probably be well known there, and any attempt at personating may be detected.

Senator DE LARGIE.—Voters are less known to each other in Western Australia than in any of the other States.

Senator Lt.-Col. GOULD.—I dare say that in Western Australia that may be the case, but then there are not so many graveyards in that State from which to draw voters. I have the greatest sympathy with those who desire to give every man an opportunity for recording his vote. I would give every man a reasonable opportunity of doing so, but when we have already dealt with the matter by providing for voting by post and for the speedy transfer of a voter's name from the roll of one division to the roll of another, we have done all that we can reasonably be expected to do. I earnestly urge upon the committee the undesirability of rescinding what we have already done in order that the Government may have an opportunity of submitting a proposal which will only tend to increase the apprehensions which existed in the minds of honorable senators when voting upon this clause the other night. We are asked to set aside this clause for the purpose of considering a clause which provides for a most dangerous form of legislation—legislation by means of regulation. Honorable senators have said there is not much danger in that, because the regulations have to come before Parliament; but let me point out that no time is fixed at which these regulations shall be made, and in all probability they will be made when Parliament is not sitting. How are they to be brought into existence? Honorable members will find, under clause 215, giving the power to make regulations, that—

The Governor-General may make regulations for carrying out this Act. All such regulations shall be notified in the *Gazette*, and thereupon shall have the force of law.

Honorable senators will see from that that the approval of Parliament is not required. The matter is settled at the sweet will of the executive. The moment they agree to a regulation it is gazetted, and then becomes law. If honorable senators ask whether Parliament will not know anything about it, the answer is—Yes. Under the clause it is provided—

All such regulations shall be laid before both Houses of Parliament within 30 days after the making thereof, if Parliament is then sitting, and if not, then within 30 days after the next meeting of Parliament.

So that the Government are inviting honorable senators to give them power by regulation to pass a law with which Parliament cannot interfere until the difficulty, if there is any, has occurred. The regulation would be passed under this clause at the time the elections were about to take place. Representations would be made to the Government that some 500 voters having the right to vote for a particular division were unfortunately at the time living away in the country and could not get to the poll, and the Minister would then pass a regulation appointing a polling place in the district in which the men were supposed to be for the purposes of the election. The matter would not come before Parliament, because Parliament would not be sitting at the time. The regulation having the force of law would be acted upon, the election would take place, and then any injustice that might occur could not be remedied by the repeal of the regulation, because the mischief would be done. The new Parliament elected under the regulation would be powerless to do anything.

Senator O'CONNOR.—These horrible things have never happened in Tasmania, Western Australia, or Queensland.

Senator Lt.-Col. GOULD.—The honorable and learned senator was not present when I said we could not compare a State like Tasmania with only a handful of population with a State like Victoria and New South Wales.

Senator PEARCE.—What about Queensland and Western Australia?

Senator Lt.-Col. GOULD.—How often has it been done?

Senator DRAKE.—The honorable and learned senator might ask how many elections we have had.

Senator Lt.-Col. GOULD.—We have had but one, and is the experience of one

election to guide us for all time in adopting this proposal because it may be a convenience to our friends in Western Australia, Queensland, and Tasmania.

Senator PEARCE.—The honorable and learned senator has no experience of it in New South Wales.

Senator Lt.-Col. GOULD.—We have had experience in connexion with the evils of elections for the last fifty or sixty years. We have not had experience of this particular system, because we have always carefully guarded against it. We have found it necessary to issue voter's certificates to secure the purity of elections. The Senate was agreeable to such a provision as that, but it was objected to in another place. If we had a provision for voter's certificates, the objection to this proposal would not be nearly so great. The objection to voter's certificates has been that men have been required to carry their certificates about with them, and there has always been a danger that they may lose them, and that they may not discover the loss until it is too late to get a new certificate before the day of election. Under the second sub-clause of clause 215 a regulation has the force of law.

Senator CLEMONS.—No; the three sub-clauses must be read together.

Senator Lt.-Col. GOULD.—Assuming for the sake of argument that the honorable and learned senator is correct, a regulation is not made until Parliament has gone into recess. It is made in order to carry out an election, and any evil which exists cannot be redressed until it meets, and chooses to bring pressure to bear upon the Minister to induce him to abrogate or cancel the regulation.

Senator CLEMONS.—You cannot conceive that a Minister would dodge the whole scope of the clause by doing that sort of thing. I cannot.

Senator Lt.-Col. GOULD.—We do not say that a Minister will act on malice pre-pense to do a wrong to the community, but we say that when an appeal is made by a section of the community that it is desirable to exercise this power the Minister would probably, and in all good faith, exercise it. It is wrong to put a Minister in that position. The Government may see fit to say "an election is going to take place in Melbourne, and we shall pass a regulation which will enable three or four hundred persons to vote in the most remote part of Victoria at that

election." It is a mistake to grant power to a Government, and in the States like Western Australia and Queensland, where the distances are enormous, is still more dangerous. The result of the operation will be that elections will be dragged on for an interminable time in some parts of Western Australia, and there is no communication with the capital under a week, ten days, or a fortnight.

Senator PEARCE.—We had this system under our regulations, and the elections were over in six weeks—as soon as the Government was elected in New South Wales.

Senator Lt.-Col. GOULD.—I do not recollect what period has to elapse between polling day and the day of the return of the writs, but certainly it is so long as the honorable senator is offering chances for personation and fraudulent voting. At every election where fraudulent voting takes place, more or less, and we have to devise schemes, as well as we can, to prevent such occurrences. While we should afford every possible facility to voters, we should place no obstacle we can in the way of fraudulent voting taking place. In view of the position which honorable senators took the other night, and in view of the opposition which they expressed on clause 215, I hope that they will not go back as to restore the clause, in order to prevent personation, fraudulent voting, and in making election returns.

Senator GLASSEY (Queensland).—Senator Gould has argued entirely against the experience of other States. I do not know what his experience in New South Wales has been; but it is entirely contrary to his experience in Queensland. He thinks it would be dangerous to place in the hands of any Minister the power to frame regulations for the purpose of giving facilities to electors to record their votes. For many years the present system has existed in Queensland. At times, unfortunately, electors experience difficulty in inducing the Minister to give those facilities which undoubtedly many of us thought that we were entitled to. But notwithstanding the inconvenience which some districts have been obliged to undergo at election time, this system has, on the whole, worked remarkably well in that State. The mining field may spring into existence in the course of a few weeks. For instance, take the mining field of Croydon, or the gold-gone, or some of the mining districts

far north. To these districts a large number of electors came from different parts of the State, and if a power of this kind had not been in the hands of the Government those men would have been obliged to travel hundreds of miles in order to record their votes. Surely it is not wrong to place such a power in the hands of the Government, and if the Minister in charge of the department should fail to do his duty, we have the right here to criticise his action, and Parliament has always the means of punishing a Minister or a Government for doing a very wrong act.

Senator Lt.-Col. GOULD.—The honorable senator might as well say that the Government could legislate by regulation on any subject they thought fit.

Senator GLASSEY.—No. This is a practical question which can be dealt with in a practical way, as it has been for many years past in Queensland.

Senator WALKER.—Will not voting by post suit the purpose?

Senator GLASSEY.—No; because an elector has to give notice that he expects to be in a particular place at a certain time before he can get a postal ballot-paper. Hundreds of persons are moving from place to place, and, therefore, cannot give the requisite notice. A man might be required to ride 20 or 30 miles before he could be in a position to send a wire to the returning officer for a postal ballot-paper, and before it could arrive by sea or by coach the election would be over. At our Senate elections a voter had the right to vote in any part of the State in which he happened to be. In Queensland, Western Australia, and Tasmania, there has not been one case of known impersonation under this system. Honorable senators who oppose this provision are actuated by fear, and the difficulties which they have pictured have not arisen in those three States and are not likely to arise in the Commonwealth. Surely it is unfair to wish to take away from the electors of three States who have returned eighteen senators the rights and privileges which they have enjoyed for some time, and which have acted fairly and reasonably in regard to all parties concerned. I trust that honorable senators will give us credit for sincerity of purpose in advocating this system.

Senator CHARLESTON (South Australia).—I hope that honorable senators who voted on this clause before will not reverse their votes. If it is right to vote it

is also a duty to vote, and persons should be willing even at some little personal trouble to record their votes. We have provided for voting by post; in fact we have made provision to meet almost every case that can arise, and yet we are now asked to allow a person to vote anywhere within the division for which he is enrolled, and if the proposed clause is inserted that division may mean the whole State. We ought to consider the officers who will have to administer the law. We can imagine what a crush there will be in a polling booth in a centre of population. Let me take the district of West Adelaide, which I know. Men who live at Norwood, Glen Osmond, and other places, and who will not be near their own polling place at a convenient time will vote at West Adelaide. Between half-past twelve and half-past one o'clock several hundred men will be rushing into the polling place to record their vote. What will be the result of that crush? The returning officer will have to give his whole attention to those who wish to make a declaration that they are on the roll elsewhere. Then there may be challenges by the scrutineers.

Senator MCGREGOR.—They will not vote in that way if they are near their own polling place.

Senator CHARLESTON.—My opinion is that they will. Therefore, I am desirous of protecting, as far as possible, our returning officers from the annoyance to which they would be subjected if we carried the proposed clause. We shall have ladies coming up to record their votes, and they, with others who have a right to vote at a particular polling booth, will be delayed while all these declarations and challenges are taking place. This will lead to a disturbance of the business of the whole booth. Suppose the clause is carried, and I happen to be up at Oodnadatta, and my polling place is Glen Osmond, and vote there. There every polling booth in the State must be kept open until every other polling booth can be heard from. No polling booth can be closed until a message has been received from it. I also object to voting by regulation. That is not a wise thing. We ought to know what we really want, and put it into the Bill, instead of leaving it to regulation.

Senator HIGGS.—What does the honorable senator want?

Senator CHARLESTON. — I want to have clause 40A struck out, and have nothing inserted in its place. I do not want to leave it in the hands of Ministers to frame a regulation which will have the force of law without giving Parliament a chance of discussing it or knowing anything about it.

Senator O'CONNOR (New South Wales — Vice-President of Executive Council). — What has impressed me more than anything else during this discussion has been the fact that we are now imposing an electoral law upon the whole of the Commonwealth; and surely our first consideration should be to see that it is made at least as liberal as those electoral laws which have previously been in force in different parts of the Commonwealth. An elector in Tasmania, or in Queensland, or in Western Australia, will, if the opponents of this clause have their way, be told at the next election that he is not to have the same facilities for voting as he had previously. What opinion will he be likely to form then of the liberality of the laws of the Commonwealth? We ought to be very careful in our legislation not to take away any rights which electors previously possessed.

Senator Sir FREDERICK SARGOOD. — Whether the State laws be wise or not?

Senator O'CONNOR. — I think I shall be able to satisfy Senator Sargood that I am not stating anything that cannot be supported by sound arguments. The obligation is upon those who would cut down the privileges of electors to show that there is some danger in permitting them to enjoy their present privileges. Those who are now opposing this motion are in the position of persons who wish to cut down rights that are already existing in three States. What reasons are given for so doing? I admit at once that if it can be shown that this right will lead to the commission of fraud and impersonation, those will be good grounds for not granting it. But that has not been shown. When you want to find out whether a thing of this sort leads to fraud and personation, you ascertain in the first place whether any one has had experience of its working. An ounce of fact is worth a bushel of theory in everything, and particularly in electoral matters. If we want to find out whether there is danger in passing this provision, surely we should look to the experience gained in the actual working of it. We find that in the three States, the voters of which it is

now sought to deprive of the right they had before, no more fraud and personation than is necessarily the case has occurred. I am not so optimistic as to suppose that there has been no fraud. Probably there has been some, but it has not come to light; and it is extremely unlikely that there has been any more fraud under this system than under the other system of voting. Nor are there nearly as many facilities afforded. Therefore, if we apply the test of actual experience, the evidence is all one way—that you have in these three States, representatives of which are here; testimony that the system proposed has worked well. I do not think that any of the representatives of Tasmania, Queensland, or Western Australia have pointed out any danger from its adoption. They have pointed out nothing to lead us to believe that the awful condition of things that has been pictured by the imagination of some honorable senators has occurred.

Senator STAINFORTH SMITH. — There has never been any complaint in Western Australia.

Senator O'CONNOR. — Is there any honorable senator from Western Australia who says that there has been any complaint against the system there? Senator Ewing voted against this proposal previously, but he made no statement that he did so on the ground that the Western Australian law was working badly. The other Western Australian senators say that it has worked properly. I find exactly the same testimony from Queensland and Tasmania. My honorable friends from Tasmania have no statement to make in regard to the system there having broken down. I have not even heard any statement from Senator Macfarlane that it has led to fraud or personation.

Senator MACFARLANE. — We have only had it in operation once in Tasmania.

Senator KEATING. — Three times.

Senator O'CONNOR. — We know from the date of the regulation that it has been in operation in Tasmania three times. When I asked Senator Macfarlane to point out where there has been fraud or personation his answer was not that there had been any offence of the kind, but that the system had only been tried once. Therefore, I may take it that the honorable senator has been led against his will to join in the chorus raised against this system by those who have had no actual experience of it.

Senator MACFARLANE.—My objection is to the making of regulations.

Senator O'CONNOR.—There is a sort of blind instinct on the part of some honorable senators to vote against any extension of the right to vote. The whole of the testimony we have is that there is no reason why the proposed system should not be adopted.

Senator CHARLESTON.—I have shown that there will be great inconvenience in the administration of it.

Senator O'CONNOR.—The honorable senator has crystallized the whole opposition to the motion. He has spoken against it on the ground of what may be, or might be, whereas we have evidence as to what has been. Surely, if there had been any personation or fraud under the system we should have heard something of it.

Senator DAWSON.—The unsuccessful candidates would have made a protest.

Senator O'CONNOR.—If there had been any complaints to make we should have had petitions or objections against what is proposed. I made an observation just now which is fully borne out by experience—that whenever any advance is made in the existing franchise or in facilities for voting, the same cry is always raised: that we shall be opening the door for fraud. But I think the general experience is that all these different extensions of the right to vote—such as voting by post and the system which has been followed in Tasmania, Queensland, and Western Australia—so far from warranting that fear, show that in reality there is no more personation under such methods than there is under the method of actual personal voting. The reason, I think, is that you cannot carry out a system of personation as a general rule without organization, and the way in which voting is carried out under this system militates against organization. For instance, let me show from the history of the matter up to the present time how far the Senate has expressed its opinion, and how it is swallowing a camel and straining at a gnat in objecting to what is now proposed. In the first place, when the measure first came before us it embodied a provision for voters' certificates. Under that system a man might get a certificate after the issue of the writ and three days before the polling day. He would have to appear at the polling place where he was entitled to vote, but there

would be nothing in the world to prevent the voter from handing the certificate over to some one else, just as the elector's right, as it used to be called in New South Wales, might be handed over to some one else.

Senator WALKER.—As soon as a man has voted on an elector's right it is stamped, and he cannot vote on it again.

Senator O'CONNOR.—Exactly; but that does not answer my point. I am dealing with personation, and I say that the voter's certificate might be handed over to another person, just as an elector's right could be handed over, and the other person could vote on it. There is no comparison between the opportunities for fraud with a voter's certificate and the opportunities for fraud under this system. Yet, the Senate passed the provision as it came up from another place in the form of allowing a voter to vote at any place in the same division. What difference is there in principle between allowing regulations to be made which will have regard to all the surrounding circumstances, and the whole of the conditions under which a vote is given—which will enable a person to vote in any part of a State—and allowing a man to vote in any part of an electorate without any such safeguard save those in the Bill? Take the electorate of Maranoa, or any of the other large electorates in Queensland. Can it be said for one moment that the returning officer in one of those electorates would know every man who made an application to vote there? Can it be believed that there is any more likelihood of a voter being known at any polling place in such a large electorate than there is of a voter being known at any polling place in the whole of a State? There is really no difference in principle, and there is a very little difference in the working out of the scheme. The same committee which passed the provision for voters' certificates, and which subsequently affirmed this other principle, is now unwilling to go to the extent of giving the Minister power to make regulations safeguarding the method by which a voter may vote outside his polling place and within any part of a State. When we remember that we are asked to de-liberalize the electoral law in three of the States, and to take away rights which have already existed—when we remember that the whole facts are against that being done—what reason can there be for this opposition? It

Senator CHARLESTON. — I want to have clause 40a struck out, and have nothing inserted in its place. I do not want to leave it in the hands of Ministers to frame a regulation which will have the force of law without giving Parliament a chance of discussing it or knowing anything about it.

Senator O'CONNOR (New South Wales — Vice-President of Executive Council). — What has impressed me more than anything else during this discussion has been the fact that we are now imposing an electoral law upon the whole of the Commonwealth; and surely our first consideration should be to see that it is made at least as liberal as those electoral laws which have previously been in force in different parts of the Commonwealth. An elector in Tasmania, or in Queensland, or in Western Australia, will, if the opponents of this clause have their way, be told at the next election that he is not to have the same facilities for voting as he had previously. What opinion will he be likely to form then of the liberality of the laws of the Commonwealth? We ought to be very careful in our legislation not to take away any rights which electors previously possessed.

Senator Sir FREDERICK SARGOOD. — Whether the State laws be wise or not?

Senator O'CONNOR. — I think I shall be able to satisfy Senator Sargood that I am not stating anything that cannot be supported by sound arguments. The obligation is upon those who would cut down the privileges of electors to show that there is some danger in permitting them to enjoy their present privileges. Those who are now opposing this motion are in the position of persons who wish to cut down rights that are already existing in three States. What reasons are given for so doing? I admit at once that if it can be shown that this right will lead to the commission of fraud and impersonation, those will be good grounds for not granting it. But that has not been shown. When you want to find out whether a thing of this sort leads to fraud and personation, you ascertain in the first place whether any one has had experience of its working. An ounce of fact is worth a bushel of theory in everything, and particularly in electoral matters. If we want to find out whether there is danger in passing this provision, surely we should look to the experience gained in the actual working of it. We find that in the three States, the voters of which it is

now sought to deprive of the right theretofore, no more fraud and personation is necessarily the case has occurred. I am not so optimistic as to suppose there has been no fraud. Probably there has been some, but it has not come to light; and it is extremely unlikely that there has been any more under this system than under the system of voting. Nor are there nearly so many facilities afforded. Therefore, to apply the test of actual experience, the evidence is all one way—that you have in these three States, representatives of which are here, testimony that the system proposed has worked well. I do not think that any of the representatives of Tasmania, Queensland, or Western Australia has pointed out any danger from its adoption. They have pointed out nothing to lead me to believe that the awful condition of things that has been pictured by the imagination of some honorable senators has occurred.

Senator STAINFORTH SMITH. — There has never been any complaint in Western Australia.

Senator O'CONNOR. — Is there any honorable senator from Western Australia who says that there has been any complaint against the system there? Senator I have voted against this proposal previously, but he made no statement that he did so on the ground that the Western Australian law was working badly. The other Western Australian senators say that it has worked perfectly. I find exactly the same testimony from Queensland and Tasmania. My honorable friends from Tasmania have no comment to make in regard to the system having broken down. I have not heard any statement from Senator Macfarlane that it has led to fraud or personation.

Senator MACFARLANE. — We have had it in operation once in Tasmania.

Senator KEATING. — Three times.

Senator O'CONNOR. — We know the date of the regulation that it has been in operation in Tasmania three times. When I asked Senator Macfarlane to point out where there has been fraud or personation his answer was not that there had been any offence of the kind, but that the system had only been tried once. Therefore, I take it that the honorable senator has led against his will to join in the criticism raised against this system by those who had no actual experience of it.

dealing with this matter, because I feel very strongly that our first message, in a uniform electoral law, to the people of Australia should not be that we are going to take away rights which they have held before. If the exercise of those rights can be so safeguarded as to prevent, as far as possible, fraud or personation, it is our duty to see that the law is passed in such a form as will enable them to be preserved.

Senator CLEMONS (Tasmania).—I feel somewhat of a personal interest in this clause, and it is really for that reason that I have risen to speak upon it. When the original clause was before us, I consistently opposed it, but while I am not afraid to adhere to my own opinion, I am never afraid to change it if I think it is wrong. I am asked to consider, not the original clause against which I voted, but the clause now before us; and I am not going to be so hopelessly illiberal as to say that what is desirable—and it is desirable that every elector shall have as few impediments put in his way as possible—should not be given, provided that certain safeguards are imposed. It is evidently desired to give every elector the fullest opportunity to record his vote. It is also evidently the intention of the Government to frame regulations. If they do not frame regulations, the very right for which a large section of the committee has been fighting, will be denied the electors. I take it that the intention of the Government is to go into this question thoroughly, and to frame regulations which will make the provision safe. From that view I do not intend to differ. I intend to vote for the clause as proposed by the Government. But I shall reserve my right to closely inspect these regulations when they are put before us. I take it that they will be criticised, not only by those who were opposed to the original clause, but also by honorable senators in the labour corner. It is in the interests of every honorable senator to criticise them carefully, and no doubt they will be given that scrutiny which they demand and deserve. If they appear unsatisfactory, no doubt Parliament will hear of it and the Ministry will hear of it. For these reasons I intend to vote for the clause as it stands.

Senator O'KEEFE (Tasmania).—This is the third occasion upon which this subject has been discussed in this Chamber, and I am delighted to find that several honorable

senators have changed their minds in regard to it. I still adhere strongly to the opinion that this proposed privilege should have been embodied in the Bill in the shape of the clause which we first tried to insert, but I understand that the chief objection which the Ministry have to the adoption of that course is, that in the first place the system might prove to be too expensive; secondly, that it might prove to be cumbersome; and thirdly, that it might be found to be unworkable. The Minister has definitely laid it down, however, that it is the intention of the Government, if possible, to frame regulations which will allow the electors in three of the States to retain the privilege which they at present enjoy. The chief reason which has impelled me to vote for this provision is that just given by Senator O'Connor: That it would be very illiberal and unwise to take from the electors privileges which they have already enjoyed. A few things have happened since the Commonwealth Parliament first met, which have aroused a feeling of antipathy on the part of a number of electors in Tasmania towards the Federal Parliament. It would be unwise for this Parliament to do anything further to intensify that feeling. I am delighted to find that several honorable senators have changed the view originally entertained by them in regard to this matter, and that there is a prospect of the clause, as now proposed, being inserted in the Bill. I hope it will be carried.

Senator MACFARLANE (Tasmania).—I wish to say a word or two in reply to the Vice-President of the Executive Council. My objection to this clause is not that which he attributes to me. I object to the matter being left to regulations to be framed by the Government. The regulations are to be put in force by the Government of the day; the elections are then to take place, and it is not until they have been held that we are to know what the regulations are. That is my great objection to the clause as it stands.

Senator CLEMONS.—They will do it at their own risk.

Senator MACFARLANE. — And we may suffer from it. It is all very well for the Vice-President of the Executive Council to say that this matter can be dealt with more effectively by regulations, but an ex-Minister of the Crown—Senator Playford—has said, very naively—"When I was

is asked, "Why not provide for this privilege in the Bill; why leave it to regulations?" The answer is complete. The reason why it has been left to regulations in Tasmania, Western Australia, and Queensland is that it is necessary to consider the special circumstances in which a vote is to be given. The matter depends upon a number of considerations. It depends, in the first place, upon how the electoral system is going to be worked, the number of officers, the way in which it is to be administered, the kind of checks which exist against personation, and other offences against the electoral law. Until we know what those are going to be, we cannot satisfactorily provide by regulation for voting in this particular way. It is because it is impossible to safeguard this so clearly, and so closely, and so effectively in an Act that power is given to make regulations. We all know that there are 101 things left to the administration of Acts of Parliament which we should prefer to see embodied in the Acts themselves. They are not embodied in them, because they require to be applied to particular circumstances. The regulations must have such an elasticity that they can be amended when some new safeguard is necessary. If the matter is governed by an Act of Parliament it is necessary to go to Parliament to have the Act amended. If it is provided for under regulation it can be dealt with promptly; a loophole in a regulation can be stopped by another regulation, and if a regulation does not work properly its form can be altered. With regulations we can apply ourselves to the exact condition of things in carrying out our purpose of safeguarding the votes. That is a complete answer to the question, "Why not put this in the Bill?" It is not put in the Bill, because it will be more effective if left to regulations. Then it is said, "In handing it over to regulations you are giving much power to the Government for the time being." There can be no doubt of that. No doubt we give the Government for the time being some very large powers in making regulations under other Acts. A large power has been given to the Government in regard to regulations under every Act which has been passed during the present session. What is the safeguard? In the first place, publicity in the *Gazette*. In all cases a regulation takes effect from the date of publication. What is the next

safeguard? The laying of the regulation on the table of Parliament. The regulations under all the Acts which we have passed are effective from the time of publication. It is only for the purposes of public information that they are published.

Senator Lt.-Col. GOULD. — By the time that Parliament was able to deal with it the trouble would be over.

Senator O'CONNOR. — Exactly. That applies to hundreds of cases in which the Government have been given power to make regulations. All that you can do is to provide first of all that there shall be publicity in the *Gazette*, and secondly, that there shall be a direct communication to Parliament, so that Parliament may have the matter brought under its notice and exercise its right of effective criticism of administration. In other words it comes to this: There are certain things which the Parliament can enact in legislation. There are certain other things which have to be left to administration, and it is always open to Parliament to bring to book a Minister who fails to discharge his duty or discharges it improperly. That power is always present. If a Minister were so recreant to his duty as to impose a set of regulations which were not fair or reasonable, or which were so loosely drawn that they offered no safeguard, surely there would be a power in Parliament, in public opinion, and in the press to bring him to book. In working our parliamentary institutions, surely the greatest safeguard to administration of all kinds is that power in Parliament, in the press, and in public opinion, which prevents a Minister, even if he wishes to go wrong, from going wrong to any serious extent. I hope the committee will see that there is no difference between this and other cases in which large powers have to be left in the hands of the Minister. We are bound to assume that Ministers who, by the aid of a majority in Parliament, attain the position of representatives of the executive authority of the Commonwealth, and who can be maintained in that position only as long as they hold the confidence of that majority, will have such a sense of their duty, such a sense of the public welfare, such a sense of the all-pervading scrutiny of every public action as to make it impossible for them in any serious way to depart from their duty of making this safeguard as real as possible. I have taken up more time than I intended to occupy in

dealing with this matter, because I feel very strongly that our first message, in a uniform electoral law, to the people of Australia should not be that we are going to take away rights which they have held before. If the exercise of those rights can be so safeguarded as to prevent, as far as possible, fraud or personation, it is our duty to see that the law is passed in such a form as will enable them to be preserved.

Senator CLEMONS (Tasmania).—I feel somewhat of a personal interest in this clause, and it is really for that reason that I have risen to speak upon it. When the original clause was before us, I consistently opposed it, but while I am not afraid to adhere to my own opinion, I am never afraid to change it if I think it is wrong. I am asked to consider, not the original clause against which I voted, but the clause now before us; and I am not going to be so hopelessly illiberal as to say that what is desirable—and it is desirable that every elector shall have as few impediments put in his way as possible—should not be given, provided that certain safeguards are imposed. It is evidently desired to give every elector the fullest opportunity to record his vote. It is also evidently the intention of the Government to frame regulations. If they do not frame regulations, the very right for which a large section of the committee has been fighting, will be denied the electors. I take it that the intention of the Government is to go into this question thoroughly, and to frame regulations which will make the provision safe. From that view I do not intend to differ. I intend to vote for the clause as proposed by the Government. But I shall reserve my right to closely inspect these regulations when they are put before us. I take it that they will be criticised, not only by those who were opposed to the original clause, but also by honorable senators in the labour corner. It is in the interests of every honorable senator to criticise them carefully, and no doubt they will be given that scrutiny which they demand and deserve. If they appear unsatisfactory, no doubt Parliament will hear of it and the Ministry will hear of it. For these reasons I intend to vote for the clause as it stands.

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senators have changed their minds in regard to it. I still adhere strongly to the opinion that this proposed privilege should have been embodied in the Bill in the shape of the clause which we first tried to insert, but I understand that the chief objection which the Ministry have to the adoption of that course is, that in the first place the system might prove to be too expensive; secondly, that it might prove to be cumbersome; and thirdly, that it might be found to be unworkable. The Minister has definitely laid it down, however, that it is the intention of the Government, if possible, to frame regulations which will allow the electors in three of the States to retain the privilege which they at present enjoy. The chief reason which has impelled me to vote for this provision is that just given by Senator O'Connor: That it would be very illiberal and unwise to take from the electors privileges which they have already enjoyed. A few things have happened since the Commonwealth Parliament first met, which have aroused a feeling of antipathy on the part of a number of electors in Tasmania towards the Federal Parliament. It would be unwise for this Parliament to do anything further to intensify that feeling. I am delighted to find that several honorable senators have changed the view originally entertained by them in regard to this matter, and that there is a prospect of the clause, as now proposed, being inserted in the Bill. I hope it will be carried.

Senator MACFARLANE (Tasmania).—I wish to say a word or two in reply to the Vice-President of the Executive Council. My objection to this clause is not that which he attributes to me. I object to the matter being left to regulations to be framed by the Government. The regulations are to be put in force by the Government of the day; the elections are then to take place, and it is not until they have been held that we are to know what the regulations are. That is my great objection to the clause as it stands.

Senator CLEMONS.—They will do it at their own risk.

Senator MACFARLANE. — And we may suffer from it. It is all very well for the Vice-President of the Executive Council to say that this matter can be dealt with more effectively by regulations, but an ex-Minister of the Crown—Senator Playford—has said, very naively—"When I was

a Minister I wanted everything to be left to regulations. Now that I am not a Minister I am dead against them." Those are my sentiments.

Senator Lt.-Col. GOULD (New South Wales).—I should like to say a word or two with regard to some of the remarks made by the Vice-President of the Executive Council, when commenting upon the apparent change of opinion on the part of honorable senators with regard to extending the power of voting. He alluded to the fact that, where certificates had been determined upon, there was a provision similar to that which it is now desired to insert. But the clause to which he referred provides that electors not having voters' certificates, and not voting by post, shall vote only at the polling place for which they are enrolled, and that none but electors having certificates shall vote at any polling place within the division. The Vice-President of the Executive Council spoke strongly in regard to the value of regulations and the Ministerial responsibility connected with the framing of them. But regulations dealing with the matter now under discussion might not be published until after the prorogation of Parliament, and shortly before an election, and they would then not be open to effective criticism until the new Parliament came into force. Although the provision does not say that the regulations are not to be made until the very last moment, it does not prevent them from being made until the last moment. Regulations are intended to deal only with minor matters, which are not of sufficient importance to be dealt with in an Act of Parliament. If the Vice-President of the Executive Council asked me whether I would prefer a provision such as he wishes to insert, or a provision embodying such regulations as he thinks ought to be framed, I would declare for the second alternative, because then I should know really what would be done, and should have an opportunity to object to provisions which I thought were not in the interests of the Commonwealth.

Senator O'CONNOR.—Does the honorable and learned senator think that Ministers cannot be trusted to provide the proper safeguards?

Senator Lt.-Col. GOULD.—I do not wish to raise that question, but I would point out that a Bill is a very different measure after

its provisions have been winnowed by the two Chambers from what it was when originally introduced. The matter under discussion is of such importance that it should be dealt with in the Bill itself. If we leave it open for the Government to deal with it by regulation, a Minister might say, "I do not consider it necessary to pass regulations in regard to this matter at all." The proposal before the committee leaves it absolutely to the Minister to determine whether the concession asked for should or should not be granted.

Senator KEATING (Tasmania).—The strongest argument which has been used against the clause is that contained in the concluding sentences of Senator Gould. To a great extent I feel that the Government have failed to meet the legitimate demands of many honorable senators. It might happen that the Ministry of the day might say, on the eve of an election, that they did not feel called upon to exercise the power which we propose to give to them. Senator Macfarlane has stated that his antipathy to the clause is due to the fact that it allows the matter to be dealt with by regulation, instead of dealing with it directly; but when an opportunity was given to him to have it dealt with directly, he and Senator Gould voted against the proposal. In Tasmania we had the proposed system in operation for one parliamentary election, and for two referenda in regard to the Federal Constitution. On all three occasions the arrangements were carried out under regulations, and not in compliance with the provisions of the Electoral Act. That experience has shown that the arrangement which we wish to bring about can be worked effectively and satisfactorily under regulations, and that a large number of voters have been glad to avail themselves of it. I hope that Senator Macfarlane will see his way to support an arrangement which has already been tried in the State which he represents, in default of our being able to obtain anything better than the proposal originally submitted by Senator Pearce.

Question.—That the resolution to disagree with the amendment be rescinded—put. The committee divided.

Ayes	...	...	15
Noes	...	...	6
Majority	...	...	9

there are public moneys required in various ways under the Act for carrying out its purposes, but to increase the allowance to members of Parliament to anticipate the time of its payment is altogether foreign to an Electoral Act. The object of an Electoral Act is to deal with the choice of members of Parliament. Once they are chosen the purposes of the Electoral Act are exhausted. Then the Constitution says that those who are chosen to be members of the Senate or members of the House of Representatives are entitled to an allowance of £400 a year computed from a certain time, and power is given to Parliament to increase or diminish that allowance, or to change the time of its payment, but that is totally different from the purpose of an Electoral Act. An Electoral Act is simply machinery. Supposing that instead of being a clause to partially alter the remuneration to members of Parliament it had been a clause to increase the amount to £600 a year, could anybody have said that it had a proper place in a Bill to regulate parliamentary elections? Could anybody have said that a clause of that kind was covered by a general message to satisfy the Constitution, simply providing for the appropriation of money for the purpose of an Act to regulate elections? Surely nobody could have contended anything of the kind. If such is the case, then it is quite clear that the message does not cover this clause, because it is limited to an appropriation for the purposes of a Bill for an Act to regulate parliamentary elections. That being so, it seems to me that Senator Matheson's position is on that ground unassailable, and that the proper course is to eliminate the clause, and let the other House rectify the matter if it can.

Senator O'CONNOR.—I think it will be recognised that my honorable and learned colleague has stated exactly what the point is. It depends upon whether the clause is or is not within the scope of the title of the Bill. That point may arise in two ways. It may arise under the Constitution Act as has just been pointed out by Senator Symon, because the message, which it is admitted is necessary under section 56, must be one which authorizes the proposal. This is a measure authorizing an appropriation for the purposes of a Bill for an Act to regulate parliamentary elections, and if that is not a purpose of the Bill, then the message does not cover

it. On the constitutional objection, therefore, we must inquire whether the clause is within the scope of the Bill or not. On the question of order, there is no doubt that the clause, whether it is inserted here or in the other House, may be open to objection on the ground that it is not within the scope of the Bill as set out in the title. Therefore, from either point of view, that is the sole question. Looking at the matter as carefully as I have been able to do, I do not think that it is within the scope of the Bill. If we had the whole Bill before us we might, perhaps, remedy the matter by giving an instruction to the committee to alter the title. But there is an insuperable objection to taking that course, and that is that both Houses have agreed to the title, and all that is before the Senate are particular clauses. There is no way out of the difficulty but to reject the clause on the ground which has been pointed out. I see no way of remedying the difficulty in the other House, because they cannot give an instruction in regard to the title as it is not before them. I think it will be admitted that the only way in which this very desirable legislation in regard to the position of members of the House of Representatives and of the Senate can be brought about is by a separate Bill. At first, I thought that the matter was unimportant, but I do not think that any question dealing with the Constitution and our procedure under it can be looked upon as unimportant, especially in this the first session, in which we are laying down the rules which shall guide us in the future.

Motion agreed to.

Amendment disagreed with.

Form M—

Senator DRAKE.—The amendment in this form which involves the question of plumping at elections for the Senate, was agreed to inadvertently the other evening. I move—

That the resolution to agree to the amendment be rescinded.

Motion agreed to.

Amendment disagreed with

Form Q—

Senator DRAKE.—The remarks which I made in regard to Form M apply to this form, I move—

That the resolution to agree to the amendment be rescinded.

Motion agreed to.

come within a fair interpretation of the rule laid down in Standing Order No. 34. That does not apply to us, because our standing orders are different, but the practice remains the same. He says that these amendments should be relevant to the subject-matter of the Bill, and he then describes what the subject-matter of the Bill is. He says—

The subject-matter of a Bill as disclosed by the contents thereof, when read a second time, has since 1854 formed the order of reference which governs the proceedings of the committee thereon.

This clause was inserted in another place, and it did not form any part of the Bill when it was read a second time in the Senate. I submit, therefore, that in accordance with parliamentary practice as laid down by *May*, and with our own practice, the insertion of this clause is quite out of order. I cannot elaborate the point as a lawyer. I can only submit it, and trust that some of the legal members of the committee will take the matter up. Another rule which has been laid down is that alterations of the Constitution should be kept separate and distinct in Bills for that object only. This is admittedly an alteration of the Constitution. Section 48 of the Constitution provides that—

Until the Parliament otherwise provides, each senator and each member of the House of Representatives shall receive an allowance of four hundred pounds a year, to be reckoned from the day on which he takes his seat.

Parliament would undoubtedly be quite within its rights in fixing some other day from which the salary should commence. But I submit that such a provision should be contained in an entirely distinct Bill, and it should not be inserted along with other matters in an Electoral Bill dealing only with the regulation of parliamentary elections. I propose to leave that point, and I now proceed to another: that the insertion of this clause is entirely contrary to the Constitution. No one can deny that this is a clause appropriating revenue. Under the section of the Constitution to which I have just referred, the payment of members of this Parliament dates from the day upon which they take their seats. This clause proposes an extra payment practically from the time they are returned, and it therefore proposes an increase of the charges to be borne by the people. Under the circumstances, it is distinctly a clause

Senator Matheson.

appropriating revenue. On this point section 53 of the Constitution says—

Proposed laws appropriating revenue or moneys shall not originate in the Senate.

This Bill did originate in the Senate. There was no suggestion as the Bill left the Senate that it should appropriate moneys. It was sent down to the House of Representatives simply as an Electoral Bill; in that House this clause, appropriating revenue, was inserted, and I submit that under the Constitution it is *ultra vires* as a clause of this particular Bill. Section 54 of the Constitution goes further still. It says—

The proposed law, which appropriates revenue or moneys . . . shall deal only with such appropriation.

Here we have a clause appropriating revenue inserted deliberately in an Electoral Bill dealing with matters which do not appertain to revenue appropriations in the least. In support of my view, I desire to point out, from the proceedings in another place, exactly what happened. What took place arose out of section 56 of the Constitution, which says—

A vote, resolution, or proposed law for the appropriation of moneys, shall not be passed unless the purpose of the appropriation has, in the same session, been recommended by message of the Governor-General to the House in which the proposal originated.

This proposal originated in the House of Representatives, and the following message was received from the Acting Governor-General, on the 23rd July:—

Message No. 54.—In accordance with the requirements of section 56 of the Constitution of the Commonwealth of Australia, the Acting Governor-General recommends to the House of Representatives that an appropriation of revenue be made for the purposes of a Bill for an Act to regulate parliamentary elections.

Therefore, a measure which left us as a purely Electoral Bill, was returned to us as a Money Bill containing a provision authorizing the appropriation of revenue in accordance with a message from the Acting Governor-General. This message was considered on the following day, 24th July, when it was resolved—

That it is expedient that an appropriation of revenue be made for the purposes of a Bill for an Act to regulate parliamentary elections.

The Government then found itself in exactly the position that had been forecast by Senator O'Connor when he dealt with the amendment proposed by Senator Neild.

having in view a purpose similar to the provision now inserted. He said—

If the view should be taken that we have not the power to pass a clause of this kind, the whole Bill might be imperilled. It might be liable to be set aside on account of the appearance of such a clause in it.

The Vice-President of the Executive Council clearly recognised the risk that would be incurred if such a clause were inserted in this Chamber. If his argument is to hold good, and I think there is no doubt that it does, it applies with equal strength to the amendment inserted by the other House. If the insertion of such a clause would have jeopardised the Bill on its passing from this Chamber to the House of Representatives, it is perfectly clear that such a provision should not have been inserted by the other branch of the Legislature. We are under very serious restrictions in dealing with Bills appropriating money. Although there is no limitation in the message of His Excellency, the Acting Governor-General to the House of Representatives, we are satisfied that it applies simply to this clause.

Senator DAWSON.—The message applies only to that portion of the Bill which appropriates money.

Senator MATHESON.—It deals with no particular part of the Bill, but with the appropriation of money in respect to the whole of the measure; although we know personally that it applies in effect merely to this clause, which affects the salaries of members.

Senator MCGREGOR.—But it does not appropriate the salaries of members.

Senator MATHESON.—But the best proof that it does appropriate salaries lies in the fact that it was found necessary to send down the message. We cannot be too careful in framing the laws of the Commonwealth, and we should by all means avoid slovenly legislation such as this, which involves a distinct breach of the Constitution. I am afraid that I have not placed the matter so clearly before honorable senators as I might have done if I had been able to deal, as a lawyer would have done, with the legal intricacies of the question, but I think I have said enough to show that the clause is *ultra vires*, and should be omitted from the Bill so that it might be embodied in a separate measure.

Senator DRAKE.—The objection raised by the honorable senator takes the form of

a point of order, which should have been mentioned, if at all, when the clause was first under consideration.

Senator Sir JOSIAH SYMON.—It is not a point of order. If the clause is an improper one it may be objected to at any time.

Senator DRAKE.—I think that the objection of the honorable senator must take the form of a point of order, and that the whole of his arguments turn upon the one point whether this provision is within the scope of the title of the Bill.

Senator Sir FREDERICK SARGOOD. — Not merely that.

Senator DRAKE.—I think so. I must confess that I cannot see that any breach of the Constitution is involved. The Constitution provides that, unless Parliament otherwise provides, something is to happen, and we are now legislating strictly in accordance with that requirement. Senator Matheson has quoted some remarks made by the Vice-President of the Executive Council, with regard to a provision similar to that which we are now discussing, to the effect that if it had been inserted in this Chamber it would have jeopardized the Bill, because it would provide for the appropriation of revenue, and would therefore be contrary to section 53 of the Constitution. My honorable colleague was absolutely correct in the view which he then took, because a clause appropriating revenue could not be inserted in this Chamber. It was, however, properly embodied in the Bill by the House of Representatives, and was covered by a message from the Acting Governor-General. The objection raised by Senator Matheson is that the message of His Excellency, the Acting Governor-General, does not cover this provision, because the clause does not come within the scope of the title. If, however, the clause is within the scope of the title of the Bill, it is covered by the message of the Acting Governor-General.

Senator Sir FREDERICK SARGOOD.—It should form the subject of a separate Bill, according to the provisions of section 54 of the Constitution.

Senator DRAKE. — Section 54 relates to proposed laws which appropriate revenue or moneys for the ordinary annual services of the Government. This clause does not come within that category, but, on the other hand, is clearly covered by the Message from the Acting Governor-General. This is a Bill to regulate parliamentary elections, but it deals

not only with everything connected with the polling at elections, but with the return of the writs, and the settlement of election petitions, which are clearly matters arising out of the elections, but happening after they have actually taken place. If the point is taken that as the measure is a Bill to regulate elections, it should not deal with anything but the regulation of elections pure and simple, it might be contended that the hearing of an election petition was beyond the scope of the title. I do not, however, think that any such point could be successfully maintained. The matters dealt with in this clause are clearly connected with elections, and I fail to see that there is any ground for the objection raised by the honorable senator.

Senator MATHESON.—We are not entitled to amend any part of a Bill which appropriates revenue.

Senator DRAKE.—We have not amended this clause.

Senator MATHESON.—But we have amended the Bill.

Senator DRAKE.—But this is the only clause involving the appropriation of revenue I submit that a clause of this nature may be inserted in the House of Representatives if there is a Message from His Excellency the Governor-General covering the proposed expenditure.

Senator MATHESON.—That is a most dangerous theory.

Senator DRAKE.—If the clause is within the title of the Bill, as I contend it is, it is certainly covered by the Message from the Governor-General. The point whether it is exactly within the scope of the title is a matter that need not be raised at this stage. It might have been urged when the amendment was brought before us in the first instance; but, as the committee have already agreed to it, I do not see any reason why we should reverse our decision.

Senator Sir JOSIAH SYMON (South Australia).—The point to which attention has been directed is a very important one, and can scarcely be disposed of in an off-hand way. Although important, however, it is a comparatively simple one. I agree with the Postmaster-General that in the first place this clause involves the appropriation of revenue or moneys, and that it could not be introduced by way of amendment in this Chamber. I agree with him also that we have no power to originate a provision of

this kind, and that, I understand, a view taken on a former occasion by the Vice-President of the Executive Council. In the second place, it is such an appropriation of moneys or revenue as requires in the other House a message. I agree that it is not an appropriation in the meaning of section 54 of the Constitution Act for the ordinary annual supply of the Government, which must be provided by a separate proposed law. It is then that does not get rid of the difficulty that arises here, and that has been pointed out, I think, by Senator Matheson, by a way which entitles him to our gratitude—the introduction of a provision of this kind into a Bill, dealing with an altogether different object, and intended for altogether different purposes. The point arises under section 56 of the Constitution Act, which, it seems to me, is fatal to the continuance of this clause in the Bill. I think it should be dealt with by disallowance to the amendment, and leaving the other House to rectify it if they can. Section 56 of the Constitution Act says—

A vote resolution or proposed law for the appropriation of revenue or moneys shall not be passed unless the purpose of the appropriation has in the same session been recommended by message.

Unless the Postmaster-General's contention is correct, that this appropriation has been covered by a message, it is quite clear that this clause cannot be passed. Is it covered by a message? I venture to think Senator Drake will see that it is not.

Senator Sir FREDERICK SARGOOD.—Has the other House it has been.

Senator Sir JOSIAH SYMON.—With great respect, I say—no. The question is whether the provision contained in the clause is within the scope and purview of the Bill. The only message from the other House was one recommending to the House that an appropriation of revenue be made not for the purpose of a clause introduced there by amendment of the Bill, but for the purpose of increasing or anticipating in certain cases the payment of the allowance to members of Parliament, for fixing a date for its passage other than that fixed in the Constitution, but for the purpose for a Bill for an Act to regulate parliamentary elections. A message covers is the appropriation of money under the Electoral Act for the purpose of carrying out its objects. Of

Mr. CONROY.—Did they actually offer to do that?

Mr. POYNTON.—I am perfectly satisfied that Mr. Playford will confirm my statement. These syndicates, however, stipulated that in the development of the Territory they should be allowed to use whatever class of labour they chose. The South Australian Government refused to grant that concession. The State Parliament believed that it held the key to the situation in regard to the influx of alien labour, and it also realized that whatever affected South Australia affected Australia as a whole. Without the slightest trouble South Australia could dispose of the Northern Territory, which is too great a concern for so small a State to manage. For years past, however, the South Australian Government have absolutely refused to entertain any proposition which might involve an influx of alien labour into the territory. The position to-day is that the Commonwealth has decided—and the territory is included in the area governed by the Commonwealth—that no coloured aliens can be employed in the development of tropical industries in Australia. That is another reason why this Parliament should take over the control of the Northern Territory. I do not think that it is necessary for me to reply to the caustic criticisms of the territory which were indulged in by the honorable member for Richmond, because he admitted that he has never visited it, which fact I presume, is the chief reason why he is so well qualified to instruct others who have, as to its possibilities. But even he acknowledged that, as the Commonwealth has adopted the policy of a white Australia, it is unfair to expect South Australia to bear the whole cost of carrying out that policy in respect to the Northern Territory, and in his closing remarks he agreed to support this proposition. I repeat that the Territory has great possibilities. I had collected a number of figures bearing upon that aspect of the matter, and, had I anticipated that any objection would be taken to the withdrawal of the motion, I should have had them in my possession to-day, and been prepared to justify my opinion. But, having regard to the resolution which has recently been carried in both branches of the South Australian Parliament demanding terms very different from those which you, sir,

as Premier of that State, submitted to the Commonwealth, I hold that the mover of the motion has no alternative but to withdraw it. Undoubtedly South Australia has repudiated the offer then made, and is attempting to dictate terms which were never mentioned when this proposal was before the State Legislature some years ago. If the motion be pressed to a division, I shall support it, but, at the same time, I believe that the proper course for this House to adopt is to permit the order of the day to be discharged.

Mr. WATSON (Bland).—I objected to the withdrawal of the motion, because I cannot conceive of any reason why the action of the South Australian Parliament should be allowed to influence the action of this Parliament. If the members of this Parliament consider that there is abundant justification for the Commonwealth taking over the territory, from the point of view of the general welfare of Australia, whether the Parliament of South Australia agrees with our action or does not, we have a right to express our opinion so that the people of South Australia may have some idea of what the Commonwealth thinks on the subject.

Mr. CONROY.—Ought we not rather to find out the exact position of affairs?

Mr. WATSON.—The question of the honorable and learned member may show a reason why we should not carry the motion in its present shape, but rather as amended in the way suggested by the honorable member for Richmond. Personally, I, in common with other honorable members, am at a disadvantage as to the exact knowledge which we ought to possess before entering into an expenditure of nearly £2,000,000, as asked some time ago by the South Australian Government. But, at the least, we all have some general idea of the value or otherwise of this territory to the Commonwealth. It has always seemed to me that one of the first functions of any Federal Government which might be created would be to take in hand the problem of getting control of all Australia at the earliest possible opportunity. I may say that I think very little of the latest project of the South Australian Government in connexion with this territory; but, whatever one may think in this connexion, credit must be given to the various Governments of South Australia in the past who have held this territory

Amendment disagreed with.

Resolutions reported ; report adopted.

Resolved (on motion by Senator DRAKE)—

That a committee consisting of Senator Clemons, Senator Matheson, and the Postmaster-General be appointed to prepare and bring up reasons for disagreeing to amendments Nos. 2, 6, 21 to 24, 27, 58, 86, 87, 110 (as to part), 114, 119, 139, 145 to 161, 162, 180, 192, and 196 of the House of Representatives.

Report of committee presented, and adopted.

SPECIAL ADJOURNMENT.

Resolved (on motion by Senator O'CONNOR)—

That the Senate, at its rising, adjourn until Wednesday, 24th inst.

Senate adjourned at 9.44 p.m.

House of Representatives.

Wednesday, 10 September, 1902.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

ASSENT TO BILLS.

Royal Assent to the following Bills reported :—

Post and Telegraph Rates Bill.
Royal Commissions Bill.

BUDGET.

Sir GEORGE TURNER.—In giving notice that on Tuesday, 23rd September, I intend to move that the standing orders be suspended to enable all necessary steps to be taken to obtain Supply, I may mention that I hope to be able to deliver my Budget speech on that date.

LEAVE OF ABSENCE.

Resolved (on motion by Sir WILLIAM McMILLAN)—

That one month's leave of absence be granted to the honorable member for Tasmania, Sir Edward Braddon ; to the honorable and learned member for Parkes ; and to the honorable and learned member for East Sydney.

TRANSFERRED AND NEW EXPENDITURE.

Mr. BATCHELOR.—In to-day's newspapers it is stated that the expenditure involved in raising the minimum pay of public servants per annum to £110 is to be regarded as new expenditure, which will be distributed *pro*

ratâ amongst the various States. It was also mentioned a few days ago that the Minister for Home Affairs had stated that £10,000 per annum would be required to bring the rates paid to the South Australian military forces into line with those obtaining in the other States, and that this would be regarded as transferred expenditure. I should like to know if the Treasurer could make some clear and definite statement on the matter.

Sir GEORGE TURNER.—The honorable member has given me rather a hard nut to crack, because it is impossible to lay down any hard-and-fast rule. My honorable friend must not believe all that he sees in the newspapers. I had not seen the paragraph with reference to increments to public servants being treated as new expenditure, and, so far as I am at present advised, I think they form part of the ordinary expenditure involved in carrying on the departments, and that they should be treated in just the same way as annual increments. I can assure the honorable member that the amounts which I shall place on the Estimates—unless I see some strong reason for adopting a different course—will in all cases be treated as the ordinary expenditure of the departments.

DEFENCE RE-ORGANIZATION.

Mr. HUGHES.—As it is exceedingly improbable that the Defence Bill will be proceeded with this session, I desire to ask the Acting Minister for Defence whether he proposes that any arrangements that he may make in connexion with the defence forces shall be of a tentative character, or whether he proposes to take such action as may be irrevocable, even though at a later stage the Defence Bill may provide for an entirely different condition of affairs.

Sir WILLIAM LYNE.—I have guarded myself against any such contingency as that referred to by making provisional appointments in most cases. If they had been made permanent, no doubt certain rights would have accrued.

Mr. HUGHES.—I would like to know whether that policy is thoroughly understood by the Commandant, and whether he is not now carrying out certain arrangements, and completing certain details, which will make it practically impossible to regard the action now being taken by the Minister as provisional.

Sir WILLIAM LYNE.—I do not know that the Commandant is doing anything

except to carry out the temporary arrangements I have indicated. The commandant thoroughly understands that the appointments are provisional.

WATER CONSERVATION AND RIVER NAVIGATION.

Mr. THOMSON.—I desire to ask the Minister for Home Affairs, *without notice*, whether he is aware—

1. That the Government of Victoria has authorized the construction of the Waranga Reservoir at an estimated cost of £284,000, and that tenders, closing on the 22nd October next, have been invited for the work?

2. That the construction of the Waranga Reservoir is only part of a scheme to provide the mallee country of Victoria with water, and that the complete scheme will cost £1,000,000?

3. That the construction for the scheme referred to is within the Murray Basin, and that the question of the allotment of the waters of that basin has been remitted to the Inter-State Royal Commission on the Murray River?

4. That evidence taken before the Inter-State Royal Commission on the Murray River shows that it is intended to supply the Waranga Reservoir from the River Murray at Bungowannah?

5. In view of the provisions of the Federal Constitution, and of the fact that the Inter-State Royal Commission now sitting, and on which Victoria is represented, has not yet reported, does he think it right that a State should propose so to deal with Inter-State waters?

6. Does he intend to take any action?

Sir WILLIAM LYNE.—I had forwarded to me, I presume by courtesy of the honorable member, a copy of the questions which he intended to ask. Before replying generally, I should like to say that I can scarcely answer the fifth question. The State must consider for itself whether it should deal with waters in which perhaps three or four different States are interested. I may point out that the only question that can be dealt with by the Commonwealth Government is that of navigation. If the action of the State interferes with the navigation of the river, the Commonwealth Government can step in. The construction of a reservoir for the conservation of water is, however, purely a State matter. No action can be taken in view of the Royal commission now sitting, until the report be received, so long as nothing is done by any State to interfere with navigation. I also wish to say that this is a matter which can be dealt with by the Commonwealth only on the application of a State or States, so that at the present time we are not in a position to interfere.

Sir WILLIAM McMILLAN.—If one State robs another, who is to settle the matter?

Sir WILLIAM LYNE.—If navigation is allowed to remain intact, the States must settle the matter for themselves.

Mr. SYDNEY SMITH.—It is a pity that we did not take care to safeguard the interests of the various States when we framed the Constitution.

Sir WILLIAM LYNE.—That is not my fault. As matters stand at present we shall have to leave the matter to be dealt with by the States. I may point out that New South Wales is taking certain action with regard to some of the rivers within her territory. A Bill is now before the State Legislature, or has already been passed, with a view to enable the Government to deal with the question of water conservation. This is one of those matters which might very reasonably be dealt with by the Inter-State Commission, if that body were appointed, and honorable members know that it is due to no fault of the Government that an Act constituting the Inter-State Commission has not been passed. I hope it will be clear, not only to honorable members, but to the whole of the community, that it will be necessary to provide for the appointment of an Inter-State Commission during the ensuing session of Parliament.

CYCLISTS' CORPS.

Mr. WATSON (for Mr. HUGHES) asked the Acting Minister for Defence, *upon notice*—

1. Whether any determination has been arrived at by his department in respect to the formation of a Cyclist Corps?

2. If so, what?

Sir WILLIAM LYNE.—In reply to the honorable member's questions I have to state—

No determination has been arrived at; but due consideration will be given to the matter in connexion with any proposed reorganization.

FEDERAL CAPITAL SITE.

Debate resumed (from 19th July, 1901 *vide* page 2823), on motion by Mr. O'MALLEY—

That in the opinion of this House it is desirable in the interest of human progress that the Government secure as Federal territory an area of not less than 1,000 square miles of land in a good, healthy, and fertile situation, the freehold of which shall for ever remain the property of the Commonwealth; the ground only to be let on building or other leases to utilizers; all buildings

to be erected under strict Government regulations, with due regard to public health and architectural beauty.

Upon which Sir Edmund Barton had moved, by way of amendment :—

That the words "not less than 1,000 square miles of land in a good, healthy, and fertile situation, the freehold of which shall for ever remain," be omitted, with a view to insert in lieu thereof the words "land well watered, healthily situated, and large enough to fully meet all probable requirements, and secure to the Commonwealth the benefits to accrue from the position of the capital, such area, when secured, to remain for ever"; also, that the words "on building or other leases" be omitted, and that the word "Government," line 9, be omitted.

Amendments agreed to.

Question, as amended, resolved in the affirmative.

NORTHERN TERRITORY.

Debate resumed (from 5th July, 1901 *vide* page 2157), on motion by Mr. V. L. SOLOMON—

That in the opinion of this House it is advisable that the complete control and jurisdiction over the Northern Territory of South Australia be acquired by the Commonwealth, and that the Federal Government should at once enter into negotiations for that purpose with the Government of the State of South Australia.

Upon which Mr. Ewing had moved by way of amendment—

That all the words after "is," line 1, be omitted, with a view to insert in lieu thereof, the words "desirable that the Government should, as speedily as possible, inquire into the advisability of taking over the Northern Territory of South Australia."

Mr. V. L. SOLOMON (South Australia).—With the permission of the House, I desire to withdraw the motion.

Mr. WATSON.—I object.

Mr. SPEAKER.—As the honorable member for Bland objects to the withdrawal of the motion, the debate must proceed.

Mr. POYNTON (South Australia).—I fail to see that any good result can be achieved by discussing this motion at the present time, in view of the attitude which has recently been adopted by the South Australian Parliament. Both in the Legislative Council and in the House of Assembly of that State a resolution has been carried which, if it does not altogether repudiate the offer made on behalf of that State by you, sir, when you were Premier, certainly approaches very closely to it.

Mr. WATSON.—The people of South Australia ought to know what is the opinion of this Parliament upon the matter.

Mr. POYNTON.—I am in thorough sympathy with the motion, and do not agree with the action of the South Australian Parliament, which, it appears to me, has done more than repudiate the offer to which I have referred. The Government of that State have agreed to introduce a Bill within a fortnight, which will provide for the construction of a railway upon the land grant system, connecting the two lines which at present have their termini at Oodnadatta and Pine Creek respectively. Consequently, the mover of this motion had no alternative but to attempt to withdraw it. As one of the representatives of South Australia, I certainly think that the South Australian Legislature has gone so far that every self-respecting representative of that State in this House is bound to abandon this proposal. At the same time, I hold that the Northern Territory ought to be transferred to the control of the Commonwealth. That territory is endowed with great possibilities; but those possibilities will never be properly developed under South Australian control, or under the control of any one State. Another reason why the Northern Territory should be transferred to the control of the Commonwealth is to be found in its proximity to the great hordes of coloured aliens, who are a menace to the Commonwealth, and it is not a fair thing that a small State like South Australia should have to bear the whole burden imposed by legislation which this Parliament has enacted.

Mr. WATSON.—What is the annual deficiency upon the Northern Territory—£60,000?

Mr. POYNTON.—I think that it is between £70,000 and £80,000. But I would point out that when Senator Playford was acting as Agent-General for South Australia, he could, upon numerous occasions, have disposed of the territory for its whole cost to that State.

Mr. HIGGINS.—How long ago is that?

Mr. POYNTON.—It is about four or five years ago. As a matter of fact several syndicates in London offered, if the territory were handed over to them, to bear the whole of its debts and also to reimburse the Government of South Australia by payment of the full amount it had expended in connexion therewith.

Mr. CONROY.—Did they actually offer to do that?

Mr. POYNTON.—I am perfectly satisfied that Mr. Playford will confirm my statement. These syndicates, however, stipulated that in the development of the Territory they should be allowed to use whatever class of labour they chose. The South Australian Government refused to grant that concession. The State Parliament believed that it held the key to the situation in regard to the influx of alien labour, and it also realized that whatever affected South Australia affected Australia as a whole. Without the slightest trouble South Australia could dispose of the Northern Territory, which is too great a concern for so small a State to manage. For years past, however, the South Australian Government have absolutely refused to entertain any proposition which might involve an influx of alien labour into the territory. The position to-day is that the Commonwealth has decided—and the territory is included in the area governed by the Commonwealth—that no coloured aliens can be employed in the development of tropical industries in Australia. That is another reason why this Parliament should take over the control of the Northern Territory. I do not think that it is necessary for me to reply to the caustic criticisms of the territory which were indulged in by the honorable member for Richmond, because he admitted that he has never visited it, which fact I presume, is the chief reason why he is so well qualified to instruct others who have, as to its possibilities. But even he acknowledged that, as the Commonwealth has adopted the policy of a white Australia, it is unfair to expect South Australia to bear the whole cost of carrying out that policy in respect to the Northern Territory, and in his closing remarks he agreed to support this proposition. I repeat that the Territory has great possibilities. I had collected a number of figures bearing upon that aspect of the matter, and, had I anticipated that any objection would be taken to the withdrawal of the motion, I should have had them in my possession to-day, and been prepared to justify my opinion. But, having regard to the resolution which has recently been carried in both branches of the South Australian Parliament demanding terms very different from those which you, sir,

as Premier of that State, submitted to the Commonwealth, I hold that the mover of the motion has no alternative but to withdraw it. Undoubtedly South Australia has repudiated the offer then made, and is attempting to dictate terms which were never mentioned when this proposal was before the State Legislature some years ago. If the motion be pressed to a division, I shall support it, but, at the same time, I believe that the proper course for this House to adopt is to permit the order of the day to be discharged.

Mr. WATSON (Bland).—I objected to the withdrawal of the motion, because I cannot conceive of any reason why the action of the South Australian Parliament should be allowed to influence the action of this Parliament. If the members of this Parliament consider that there is abundant justification for the Commonwealth taking over the territory, from the point of view of the general welfare of Australia, whether the Parliament of South Australia agrees with our action or does not, we have a right to express our opinion so that the people of South Australia may have some idea of what the Commonwealth thinks on the subject.

Mr. CONROY.—Ought we not rather to find out the exact position of affairs?

Mr. WATSON.—The question of the honorable and learned member may show a reason why we should not carry the motion in its present shape, but rather as amended in the way suggested by the honorable member for Richmond. Personally, I, in common with other honorable members, am at a disadvantage as to the exact knowledge which we ought to possess before entering into an expenditure of nearly £2,000,000, as asked some time ago by the South Australian Government. But, at the least, we all have some general idea of the value or otherwise of this territory to the Commonwealth. It has always seemed to me that one of the first functions of any Federal Government which might be created would be to take in hand the problem of getting control of all Australia at the earliest possible opportunity. I may say that I think very little of the latest project of the South Australian Government in connexion with this territory; but, whatever one may think in this connexion, credit must be given to the various Governments of South Australia in the past who have held this territory

practically free from incursions by neighbouring Asiatics, and who have held it free at a cost, to their small population, of something like £2,000,000. The people of Australia owe a debt of gratitude to the citizens of South Australia for assuming this responsibility and carrying the load on their shoulders all these years, when, by giving in to the designs of various speculating syndicates, they might have evaded all the expenditure. That evasion would, perhaps, have been at immense cost to the people of Australia as a whole, and to the millions whom we expect to inhabit this continent in the future. Holding these opinions, I am quite prepared to vote for the motion as it is, notwithstanding my lack of detailed knowledge on the subject. I am quite prepared to say, even if the assumption of the control of the territory does mean to the Commonwealth £1,000,000 of unproductive expenditure, that that is more than justified when the whole of the circumstances are taken into consideration. I quite agree with the honorable member for South Australia, Mr. Poynton, that unless the Commonwealth gets control of this territory, or, at any rate, unless effective control is exercised over the whole of Australia, a convenient opening is presented for the influx of people from the adjoining portions of the Eastern Archipelago. Such an influx would be a calamity, at any rate from the point of view of those who favour a white Australia. As to the terms on which the territory should be taken over, that is a matter for the Government who have data at their command to determine; it is for the Government to formulate conditions, and make such reservations as seem to be justified by the circumstances. But this House cannot too early arrive at an expression of opinion. There is a movement afoot now in South Australia which seems to me to be the real reason why this offer of the Northern Territory was withdrawn some little time ago. Some people in the Parliament of South Australia seem anxious to keep control of the Northern Territory until they have put their little private-enterprise schemes through. As soon as those plans are consummated these people are, I suppose, willing that the Commonwealth shall take over the territory with what, from a national point of view, would be the incubus of their schemes in active operation. If any body of powerful syndicators get control of a large portion of this area, it will

Mr. Watson.

be a perpetual menace to the policy—which the Commonwealth has unanimously decided on—of excluding coloured aliens. These people, having all their interests there, will be running another “underground railway,” such as we know was in existence years ago in the United States, although with an exactly opposite object in view. That could be done just as efficiently in favour of these people if they were the whole dominating force in the territory; and I see no other result if the present schemes are allowed to mature. It is imperative from the national stand-point that this Parliament should give an expression of opinion so as to enable the people of South Australia to see how far they are justified in going to the extremes proposed by some of their parliamentarians. We can quite understand that if this motion is withdrawn, or if no decision is come to by this House, it will be urged by those who are pushing forward the schemes to which I have referred, that the Commonwealth Parliament is not prepared to take over the territory—that this Parliament will not even discuss the matter, and has no intention of dealing with it; and that, therefore, the best thing for South Australia to do is to make whatever terms are possible with any set of syndicators who come along. I can venture to say that that will be the position unless this Parliament takes definite action one way or the other. Believing, as I do, that there is a majority in this Parliament who, generally speaking, are in favour of taking over this territory, I have adopted what is, perhaps, the extreme course of objecting to the withdrawal of the motion. I do not impugn, for a moment, the intentions of the honorable member for South Australia, Mr. V. L. Solomon. I know that that honorable member has gone to considerable trouble in an endeavour to put this matter properly and distinctly before honorable members; but he would unwittingly, to my mind, be working against the very object he set out to serve if he withdraws the motion. Under the Constitution the Commonwealth Parliament is given power to acquire territories of this description, with the consent, of course, of the States affected. I do not suggest for a moment that under present conditions, or under the conditions which may obtain for the next generation, it would be a proper thing to attempt to admit this territory as an integral State of the union,

but that is a question of small moment. We are acquiring territories at vast annual expense outside the boundaries of the Commonwealth. New Guinea is a territory beyond our control, or at any rate beyond our boundaries, and its acquisition involves increased expense every year. The amount to which we are so far pledged in connexion with New Guinea represents the interest on about £750,000.

Mr. MAHON.—It is £20,000 per annum.

Mr. WATSON.—That is the interest on about £750,000.

Mr. MAHON.—We must not forget that there will be the power of imposing customs taxation in New Guinea.

Mr. WATSON.—That applies also to the Northern Territory. Very probably an intelligent administration by the Commonwealth Government, with a greater recognition of the possibilities of the Territory, and perhaps, later on, the construction of a railway through a large area of what I am assured is valuable country, will have an influence in minimising, if not of wiping out, the present annual deficit. But I draw attention to the fact that in the beginning, and not in eventuality, we are incurring new expenditure in connexion with New Guinea—an annual expenditure which, capitalised, represents nearly one-half of what was asked by South Australia for the Northern Territory. This Government are prepared to assume responsibility for a territory outside the boundaries of the Commonwealth, a territory not nearly so closely associated with our general well-being, while there does not seem any desire to come to a decision with regard to a territory which impinges all round on the various States of the union, and from which the people from Asiatic centres can easily filter through to those States. I am not particular whether the motion or the amendment be adopted, but some such proposition should be assented to by this Chamber at the earliest possible date. I do not want to see the matter postponed indefinitely, because postponement might be made use of as an argument to the effect that the national Government of Australia are not prepared to assume any responsibility, and that it, therefore, lies with the politicians of South Australia to make the best possible terms with a view to meeting the deficit which faces them at the present time.

Mr. SALMON (Laanecoorie).—I desire to add my tribute of praise to the honorable

member for South Australia, Mr. V. L. Solomon, for the very exhaustive and interesting account which he gave us of the conditions at present existing in the Northern Territory. I can assure the honorable member that his words on this question has been read very widely by people outside this Chamber who are vitally interested, and in order that the speech shall not be robbed of its value by the withdrawal of the motion, I suggest that the honorable member should agree to accept the amendment which appears on the notice-paper; and I feel sure that the motion would then be carried unanimously. Although the information given is valuable, I feel that we require further facts before coming to a definite conclusion such as that to which the motion would commit us. Like the honorable member for Bland, I regard the Northern Territory as virtually the back-door of Australia. It is from that quarter we may expect the greatest dangers—dangers which we have by legislation during this session been endeavouring to eliminate. That legislation will be brought to nought, and our intentions frustrated if we do not take steps to control that entrance to Australia, which, at the present time is almost unguarded. As an Australian I wish to impress upon the honorable member for South Australia, Mr. V. L. Solomon, the inadvisability of withdrawing his motion at this or any stage. This is a question on which, I believe, there are not two opinions throughout the Commonwealth. We desire to keep ourselves untainted by eastern admixtures; and to assume control of the Northern Territory is perhaps the most complete way in which we can obtain that very much to be desired end. Under the circumstances I urge on the honorable member the desirableness of refraining from his intention to withdraw the motion. If he feels that the motion is too strong, and that the conditions have altered, I ask him to accept the amendment of the honorable member for Richmond.

Sir WILLIAM McMILLAN (Wentworth).—I did not expect we should have been called on to-day to decide a definite proposal on so important a matter. These are proposals which certainly ought to come from the Government and not from a private member, and I take it that the motion before us was submitted with a view of ventilating the subject and giving rise to a certain interest in it. I hold that

if every honorable member in the Chamber were perfectly satisfied in his own mind that we ought to take over the Northern Territory, it would be wrong at the present time to pass a definite vote as to the expediency of doing so. In this early stage of our Commonwealth life we ought not to undertake a step of this kind without the fullest possible official information from the Government. In my opinion, this matter should come before the House in a definite shape, upon the authority and responsibility of the Government. I believe that we are practically all agreed upon the desirability of acquiring the Northern Territory, but I think it will be better to adopt the motion as the honorable member for Richmond proposes to amend it. That, I think, would answer the purpose which the honorable member for South Australia, Mr. V. L. Solomon, has in view. It would allow the subject to be ventilated, and would prevent the Government from overlooking it. I think that the matter is one which should be investigated by the Government during the coming recess, so that a concrete proposal may be put before us next session.

Mr. SALMON.—It is a proper subject for the investigation of a Royal Commission.

Sir WILLIAM McMILLAN.—The Government could appoint a Royal Commission to investigate it. It must be remembered that we are only beginning our Commonwealth existence, and during the past sixteen months we have been so much engaged in laying the foundations of our Commonwealth legislation that few of us, except those who are specially interested, have had time to give this subject the careful and exhaustive consideration which it deserves. While I wish to see the acquirement of the Northern Territory by the Commonwealth, I do not think this House should pledge itself to any definite policy in regard to the matter until official information on the subject has been given to it under the responsibility of Ministers of the Crown.

Mr. HIGGINS (Northern Melbourne).—Although the motion under discussion has been moved by a private member, it deals with one of the largest national questions which we have to face. I do not think that the honorable member for South Australia, Mr. V. L. Solomon, desires to tie the hands of the Government in regard to the matter, but it would be an embarrassment if, before entering into a bargain, they were absolutely bound to certain conditions. I can

see the force of the objection raised on that ground by the acting leader of the Opposition. But what I understand the honorable member for South Australia wishes to do is to enable the Government to obtain from this House a plain indication that it has no intention to allow the Northern Territory of South Australia to pass into alien hands, to be exploited by foreign syndicates, or to be under any but Commonwealth control. For that reason, I ask honorable members to consider whether the amendment of the honorable member for Richmond may not, if carried, throw cold water upon the proposal. It will be said that there was a motion in favour of the acquirement by the Commonwealth of the Northern Territory of South Australia before the House of Representatives, but that it was not carried, the House coming to the determination that the matter must be inquired into first. I am perfectly willing that there should be an inquiry as to terms and conditions, but I should like a distinct statement of our opinion that it would be in the interests of Australia for the Commonwealth to acquire the Northern Territory of South Australia if it can be obtained on reasonable terms. The Northern Territory cannot be acquired by the Commonwealth without the consent of South Australia, and therefore that State is in the position of a vendor with whom we shall have to bargain. I do not think it would be worthy of the Commonwealth to haggle over a question of a few pounds. So long as the territory can be obtained upon reasonable terms, I think it is our duty to acquire it.

Sir WILLIAM McMILLAN.—If we affirm that it is desirable to enquire into the advisability of acquiring the Northern Territory, is not that to a large extent equivalent to saying that we are favorable to its acquirement?

Mr. HIGGINS.—It may be said by the enemies of the movement that a motion for the acquirement of the Northern Territory was supplanted by another motion for an enquiry. I admit that every enquiry should be made, and every care taken before agreeing to the terms of acquirement, but I think that this House should say before any enquiry is made that, if the terms are found to be reasonable, it is desirable to acquire the Northern Territory.

Mr. V. L. SOLOMON.—The inquiry can be made during the period of negotiation.

Mr. HIGGINS.—Quite so. I do not want to tie the hands of the purchasing Government, but I want them to know that this House thinks that it is expedient to acquire the Northern Territory, if it can be obtained on reasonable terms. I suggest that in place of agreeing to the amendment, it would be better to agree to a motion in these terms:—

That in the opinion of this House it is advisable that the complete control and jurisdiction over the Northern Territory of South Australia be acquired by the Commonwealth, if it can be acquired on reasonable terms.

The feeling of the House upon the subject could be tested by an amendment for the omission of the words—

And that the Federal Government should at once enter into negotiations for that purpose with the Government of the State of South Australia.

If a motion were carried in the terms which I have suggested, we should have placed on record during our first session the deliberate statement that we regard the acquirement of the Northern Territory as of too great importance to be exposed to the risks to which it has been exposed during the last few years. Most honorable members know that within the last ten or twenty years negotiations have taken place which, if successful, would have been most prejudicial to the future of Australia.

Mr. POYNTER.—South Australia has always refused to entertain them.

Mr. HIGGINS.—The people of South Australia have done good service for the Commonwealth in keeping ward and watch over the Northern Territory. That State has sacrificed revenue in acting as the wise guardian of that territory, and, in doing so, has been a benefactor to the whole Commonwealth. I recognise the efforts which have been made by those in political life in South Australia—some of whom are now members of this House—to prevent the temporary needs of State Treasurers from injuring the true policy of Australia as a whole. It may be said that the acquirement of the Northern Territory by the Commonwealth is not an urgent matter now. If that is so, we should be able to acquire it on better terms than if it were urgent. We have no right to wait until the matter becomes urgent, when we might be forced to accept terms which we should not accept. The time for acquiring the territory is now, before there are further negotiations in regard to it on the part of other people, and before the deficit

in respect to its administration increases. I feel that the Government can be trusted to negotiate in this matter if they choose to do so. I do not want to compel them to open negotiations, but I have no doubt that they will find means to communicate the terms of any resolution to which we may agree to the Government of South Australia, and that negotiations can then be quietly opened up. The Commonwealth Parliament has passed laws for the restriction of alien immigration, but it will be impossible for us to properly administer them, unless we obtain control of the Northern Territory.

Mr. MAHON (Coolgardie).—I think it a matter of regret that the honorable member for South Australia was not permitted to give the reasons which prompted him in desiring to withdraw this motion. Apparently, his reasons are to be found in some action taken by the South Australian Parliament. On the 18th April, 1901, you, Mr. Speaker, as Premier of South Australia, offered to the Commonwealth Government the privilege of taking over the Northern Territory of South Australia, in the following terms:—

I have now to intimate that the Government of South Australia is prepared to take the necessary steps to offer to the Federal Government the territory known as the Northern Territory, including the railways and all other assets, on the Federal Government also assuming the liabilities of the territory.

The document from which that communication is taken gives the productions, receipts, and indebtedness of the Northern Territory. It seems to me that this is an offer which should not have been withdrawn or modified by a succeeding Government without communicating with the Commonwealth Government, to whom it was made. But from what I have learned from representatives of South Australia the offer has been modified to this extent: That the Commonwealth is asked to saddle itself with an undertaking to construct a railway over 1,000 miles in length, from Oodnadatta to Pine Creek, and with the reservation of certain blocks of land along that line.

Mr. WATSON.—For whose benefit?

Mr. MAHON.—I presume that the reservations are to be in favour of certain syndicates who are to build the line.

Mr. V. L. SOLOMON.—The Bill is not yet before the South Australian Parliament, though it is promised.

Mr. MAHON.—It seems to me that it approaches a breach of faith for the South Australian Government to depart from the conditions which it laid down a little more than a year ago, and communicated to the Commonwealth Government through its then Premier. When we enter into negotiations for the acquirement of the Northern Territory, as I hope we shall, I trust that no such condition as that to which I have just referred will be accepted by the Commonwealth Government. As every one who knows anything about the central part of South Australia is aware, a railway from Oodnadatta to Pine Creek would pass through an absolute desert.

Mr. WATSON.—What about the McDonnell Ranges?

Mr. MAHON.—So far, they have not been productive of much wealth.

Mr. V. L. SOLOMON.—The gold mines there have been the most consistent in Australia during the last two years.

Mr. MAHON.—I have not heard of any great yields from the mines there; if what the honorable member says be correct, the fact has been kept remarkably quiet. I repeat that for the greater part of the way the railway would pass through an absolute desert.

Mr. V. L. SOLOMON.—Nonsense!

Mr. MAHON.—If that is not so, the reports which Mr. Gillen, Professor Spencer, and other authorities who have been through the country have given are scarcely to be relied upon.

Mr. V. L. SOLOMON.—They do not say that the country is an absolute desert.

Mr. MAHON.—If it is not an absolute desert, why is it that settlement has not approached even the fringe of it yet?

Mr. WATSON.—Because there has been no railway communication.

Mr. MAHON.—Settlement does not always wait for railway communication.

Mr. WATSON.—Could we not say the same thing about the country between Tarcoola and Coolgardie?

Mr. MAHON.—We are not at present discussing the character of the country between Tarcoola and Coolgardie. The Government of South Australia has loaded its offer of the Northern Territory with a new condition, which, in view of the loss that the construction of the proposed railway would inevitably entail, the Commonwealth Government cannot accept. The honorable member for Bland, who seems to

take great interest in this matter, says that he is not in favour of the Northern Territory being elevated into the position of a State.

Mr. WATSON.—I said, not at present.

Mr. MAHON.—I did not hear the qualification. Any one who looks at the map of Australia must see that the time is not very far distant when the Northern Territory, and the north-western portion of Western Australia, will have to be erected into the position of a separate State. Remember that Western Australia has carried this vast tract of country upon her back for many years, and the administration of the law alone has involved very heavy expenditure. I may remind honorable members who are giving due credit to South Australia for having preserved the Northern Territory for white people that some praise is also due to the Government of Western Australia for having prevented their North-Western territory from being overrun by coloured aliens. The Western Australian law provides that no Asiatics shall be allowed to come beyond a certain parallel of south latitude. When we approach questions fraught with enormous possibilities in the future, we should look at them from a broad stand-point, and in this case we have to consider the necessity that will probably arise for forming these two vast areas in the northern part of the continent into a compact State that some day will be qualified for admission into the union. I hope that the resolution will be adopted in its original form. I agree with the honorable and learned member for Northern Melbourne, that if we accept the amendment, we shall probably lead those who are opposed to our dealing with the Northern Territory to believe that the movement is hanging fire, because it would be purely within the discretion of the Government whether they pursued inquiries or not. If, on the other hand, the motion is carried in its original form, it will commit the Commonwealth to taking the steps necessary to secure the control of the Northern Territory. That will be far more satisfactory than an order directing a vague inquiry which might or might not be followed up with practical results.

Sir WILLIAM McMILLAN.—It will be sufficient if the Government give us their assurance that an inquiry will be made.

Mr. MAHON.—I have not heard of any such assurance having been given. I regret

that the honorable member for South Australia, Mr. Solomon, has not been able to explain his reasons for wishing to withdraw the motion. If it is submitted to the vote, I shall vote for it in its original form.

Mr. McDONALD (Kennedy).—I join with the honorable member for Coolgardie in expressing regret that the honorable member for South Australia, Mr. Solomon, should not have had an opportunity of explaining his reasons for wishing to withdraw his motion. I believe that the Northern Territory, instead of being the back door of Australia—as it has been described—will be the front door. Apart from the possibilities of Port Darwin as the main port of entry into Australia from the old world, I believe that the Northern Territory possesses resources which may be developed with much advantage. The whole of the country lying between the Gulf of Carpentaria and Port Darwin is admirably adapted for cattle raising. For at least 100 miles from the coast, the country has a greater rainfall than has the larger part of the southern and eastern portions of the Commonwealth. If it were not for the restrictions with regard to the introduction of cattle into the southern and eastern portions of Australia from tick-infested country, sufficient stock could be brought from the Northern Territory and North-Western Queensland to satisfy all our meat requirements at the present time. It is also well known that the Northern Territory embraces thousands of square miles of highly-auriferous country, which should, in the very near future, be capable of profitable development. It would appear, from recent press reports, that the South Australian Government desires to hand over a large area of the Northern Territory to a railway syndicate. This would appear to be the reason underlying the withdrawal of the offer that was made on a former occasion to the Commonwealth Government. It is stated that the Premier of South Australia has promised Mr. J. L. Parsons, who represents the syndicate, that the Attorney-General shall introduce during the current week a Bill providing for grants of certain land to the syndicate upon the construction of a railway. Whatever concessions may be made would hamper the Commonwealth when the territory was taken over, because any bargains entered into between the State Government and the syndicate would have to be respected, and heavy

compensation would probably have to be paid. This would place us in a most unenviable position, and the matter is one which requires prompt attention.

Sir WILLIAM McMILLAN.—We could not take over the Northern Territory except with the consent of the State Government.

Mr. McDONALD.—I realize that. If the motion were withdrawn, it would give colour to the idea that the Federal Government were not disposed to take over the control of the Northern Territory, because they feared that it would become a burden to them. On the other hand, if the motion is carried, it will go a long way towards assuring the South Australian Government that we recognise the importance of the Territory, and that we are in earnest in our desire to assume control over it.

Mr. O'MALLEY (Tasmania).—It is painfully evident that there is a desire to postpone this motion for a sufficient length of time to enable certain syndicates to exploit the Northern Territory, and acquire everything that is of any value. If the syndicates obtain possession of the Territory they will be able to make their own terms with us under the threat that, if we do not comply with their demands, they will make it a Chinese or Japanese headquarters in Australia. The Northern Territory is the key to the whole Commonwealth, and it is our duty to assume control of it before any injury can be done by neglect or want of consideration on the part of the State Parliament. I think that under section 109 of the Constitution we could assume control over the Northern Territory whether South Australia liked it or not. The Northern Territory was handed over to South Australia conditionally, and that State has no specific title to it. When I was a member of the State Legislature, it was proposed that the Crown should be asked to take the Northern Territory back again. If South Australia had actually owned it, there would have been no suggestion of that kind. Section 109 of the Constitution provides that—

When the law of a State is inconsistent with a law of the Commonwealth, the latter shall prevail, and the former shall to the extent of the inconsistency be invalid.

Under this provision it would be reasonable for us to put a stop to the operation of any legislation passed by a State if we considered that it would prove injurious to the

other States. It will be as well for us to settle this matter at once, instead of allowing the South Australian Government to make the Northern Territory an asylum for hordes of coloured aliens.

Mr. FOWLER.—Will not the Immigration Restriction Bill prevent that?

Mr. O'MALLEY.—If the South Australian Parliament decided to hand the Northern Territory back to Great Britain, the Immigration Restriction Bill would no longer have effect in that part of Australia, nor could we prevent syndicates from carrying on their operations there.

Mr. V. L. SOLOMON.—The Northern Territory is specially included in South Australia under the terms of the Constitution.

Mr. O'MALLEY.—But if the South Australian Government were to hand the territory back to the Crown, it would be no longer Commonwealth territory, and we should have no control over it. I should like the honorable member for South Australia, Mr. V. L. Solomon, to answer that question.

Mr. V. L. SOLOMON.—I did not hear it.

Mr. O'MALLEY.—Assuming that the South Australian Parliament transferred the control of the Northern Territory to the Imperial authorities, and the latter administered it as a British Crown colony, would the Federal Government, under the Constitution, have any power to exclude aliens from it?

Mr. V. L. SOLOMON.—That is a very difficult question to answer, but I should think that it would. The British Government would have to take over the territory subject to our Constitution, which includes that territory.

Mr. O'MALLEY.—If I were sure of that, I should not be so much concerned about the matter.

Sir LANGDON BONYTHON (South Australia).—At the beginning of the session I made my position in reference to the Northern Territory quite clear to this House. But I should like to ask honorable members whether we are altogether studying our self-respect by proceeding with the discussion of this matter? It is true that the offer made by you, sir, as Premier of South Australia, has not actually been withdrawn, but practically it has been withdrawn. That is proved, I think, by the action which has recently been

taken by both Houses of the South Australian Legislature. Under these circumstances, I am not at all sure that it is wise for this House to further debate the question. I think that the whole of Australia is very much indebted to South Australia for its past action in relation to the Northern Territory. At different times we have been told that it has been a burden upon us, and that we have been piling up liabilities. All that is true, but so far as South Australia is concerned it need not have been true. As my colleague, Mr. Poynton has pointed out, when Senator Playford was acting as Agent-General in London for that State, he received an offer which, had it been accepted by the Government of South Australia, would have freed that State from all liability in respect of the Northern Territory. But the acceptance of that offer meant that the company which made it was to have a free hand in regard to the class of labour which it employed in the development of the Territory. This, the Ministry of South Australia would never consent to give. Consequently the Territory is held as it is at the present moment. As I have said, South Australia is entitled to the thanks of the whole Commonwealth for the position in which things are to-day. In reply to the honorable member for Tasmania, Mr. O'Malley, I think there is no doubt that whatever may happen in the future in regard to the Territory, that portion of the Continent must be bound by the legislation of the Commonwealth. It is part of the Commonwealth, and of course cannot escape from any legislation which may be adopted by this Parliament.

Mr. DEAKIN (Ballarat — Attorney-General).—I am inclined to think that the last speaker has laid his finger upon one of the most important conditions connected with this proposal, to which we will do well to give full prominence. Whether the territory remains a portion of South Australia, or is dealt with as a special territory of the Commonwealth, it must equally remain under the general control of Commonwealth laws. Of course, the effect of its transference would be that we should require to provide for it all that jurisdiction which appertains to a State. The lands—or such as were still vested in the Crown—would pass to us, also the mines, and the necessity of providing land,

mining, and educational laws, and of constructing railways—if any were deemed desirable—would devolve upon us.

Sir WILLIAM McMILLAN.—I fear that we might have to carry out a contract for the construction of the trans-continental railway.

Mr. DEAKIN.—The first important matter is to recollect the additional burden of legislation and administration which would be cast upon the Commonwealth—a burden which I think we should be well able to bear in time—and then to recall the fact that we are not now powerless in regard to what, with many honorable members, is the chief point of interest in connexion with this question, namely, the control of the influx of coloured people to the territory. Indeed, the utilization of the greater part of it by South Australia—if that State retains control—must be very largely governed by the legislation of which this Parliament approves in respect to the introduction of aliens, or to the conditions which it may think fit to impose upon people of any special race who have become denizens of the Commonwealth. In both these ways the Commonwealth has just as firm a hold upon the Northern Territory as it has upon any other part of the continent. One of the strongest equitable reasons which those in South Australia who favour its transfer could urge upon us, is, that as a matter of fact we are now very largely the governing power of the Northern Territory, and that as we have it in our control to lay down the conditions—so far as coloured labour is concerned—upon which it shall be developed, we are already owners in a special sense of all the northern coasts of Australia. Therefore, an equitable demand might not unreasonably be made that as we hold the key of the position we ought to assume responsibility for the whole of its administration.

Mr. MAHON.—Then we can practically dictate to South Australia the terms upon which the territory shall be taken over.

Mr. DEAKIN.—These are considerations not to be ignored. The whole question appears to me appropriate to this Parliament and to this session. We have been brought face to face by legislation already enacted with the triple problems involved in this instance—as in some others—the tropical problem, the racial problem, and

the financial problem. These three are interrelated and mutually dependent. In dealing with them we are confronted—as we were in the case of our proposals in regard to the introduction of Pacific Islanders—with the question of the disposal of those lands in the extreme north of this continent, which are gifted with an enormous rainfall—such as many other parts of the continent require, but do not receive; which are fertile in soil, but are alleged to require for their cultivation the services of alien races if they are to produce the amount of wealth which is yielded elsewhere in similar climates and under similar conditions. Then, if the policy adopted by this House is that none save white labour is to be tolerated in any part of this continent, we necessarily limit the possibilities of production throughout all the tropical areas of Australia, of which Port Darwin undoubtedly is one.

Mr. WARSON.—The House has already taken up that position.

Mr. DEAKIN.—I am merely pointing out that fact. The racial question arises in this connexion, and a further matter, to which the honorable member for Coolgardie has called attention by a motion which appears upon the business-paper, but which it would not be proper for me to discuss. The Northern Territory, and the north-western portion of Western Australia, have a very much larger proportion of aboriginal inhabitants than the rest of the continent. Among the desirable features connected with this proposal is that it might give the Commonwealth an opportunity of dealing with those races.

Mr. MAHON.—We should have to deal with them within the territory.

Mr. DEAKIN.—The honorable member for Coolgardie has alluded to the possibility that hereafter the northern part of Western Australia may be grouped with the Northern Territory. Climatically they may be so grouped, and also as to their aboriginal population. The interests of the two areas are very much the same, and they could well be dealt with together. One of the reasons why they should be specially treated is that the Commonwealth Government, dealing with these areas in a perfectly independent fashion, might be able to secure to the last remnants of the aboriginal races that better treatment which every civilized people must feel is part of the "white man's burden" cast upon us when we exploit the

lands of native people. To the other difficulties with which we are confronted the honorable member for South Australia, Mr. V. L. Solomon, has called attention. But, I doubt whether the public at large yet realize that the Commonwealth Government moves in financial shackles, and must continue to do so for the next five years, and that any proposal of this sort requires to be considered not only as raising the question of tropical cultivation and the racial problem, but also our financial limitations. How is the Commonwealth qualified to face an annual additional expenditure of £80,000—for that is the interest upon the capital of £2,000,000, which South Australia has invested in the Northern Territory? By way of comparison, the honorable member for Bland called attention to the action of the Government in reference to New Guinea. But, the very fact which he emphasized, namely, that New Guinea was separated from the mainland of Australia—although it is more densely peopled than any part of this continent—is one of the chief reasons why it is more easily dealt with than the Northern Territory. New Guinea is never likely to be made a front or back door entrance to Australia, and it affords to the Commonwealth an opportunity of relaxing the stringency of the conditions which are imposed upon tropical cultivation elsewhere—a course that it might be extremely perilous to attempt in the Northern Territory, which is an inherent part of the Commonwealth. The honorable member for Bland called attention to the fact that the annual cost of administering New Guinea was £20,000. That statement is correct. But why have we to contribute £20,000 a year in the case of New Guinea? Because its administrators, and the Administrators of the Commonwealth, have firmly set their faces against its development by projects upon a large scale proposed by private capitalists.

Mr. WATSON.—The same argument applies with greater force to the Northern Territory.

Mr. DEAKIN.—The honorable member has missed some of the arguments to which I have been addressing myself. The reason why there is a loss of £20,000 annually upon New Guinea is because of the racial problem, because the Australian States, even when it was not under their control, were unwilling to allow large areas to be transferred to private capitalists, and

worked by black labour. In the course of his speech the honorable member for Bland declared that the same limitations must apply to the Northern Territory, not only in regard to tropical cultivation, but also to proposals which have been submitted to South Australia for the construction of a land grant railway. What does that mean? It means that just as we have had to pay £20,000 in connexion with the administration of New Guinea, we should have to pay at least £80,000 on behalf of the Northern Territory.

Mr. MAHON.—Besides any loss incurred upon the railway.

Mr. DEAKIN.—Yes. The position, therefore, from a financial stand-point is this: In the Northern Territory we have, at the very outset, the lessons of experience gained by South Australia. As the honorable member for Coolgardie points out, £2,114,000 has been borrowed, and there is cash due to South Australia to the amount of £738,000 more. That is to say, there is nearly £3,000,000 invested in the Northern Territory, upon which sum we should have to find interest.

Mr. V. L. SOLOMON.—No; the amount is only £2,000,000.

Mr. DEAKIN.—I am speaking from the figures before me in the printed paper, but do not desire to labour the point. What the House has to realize is that if we take over the Northern Territory we shall have to face at least £100,000 a year as interest on expenditure already incurred, and also the cost of working the Territory under the same restrictions that we work New Guinea. In addition, when the Federal Government becomes responsible, we may well believe that there will be a strong movement for a more rapid opening up of the country, which can be accomplished only by the free expenditure of money. Consequently £100,000, or perhaps £200,000, a year will scarcely represent the liability we must assume when we take over the territory. It is only fair that the House should face these facts, which it is the duty of the Government to place before honorable members. Ministers cannot shelter themselves from the responsibility of a debate of this kind, introduced as it has been by the honorable member for South Australia, in the most exhaustive manner, with knowledge drawn from his own personal experience, as well as from the literature on the subject, with which

latter the rest of us have perforce to be content. The taking over of the Northern Territory is not so simple or inexpensive as might be supposed. It really implies the acceptance of a great burden of legislation and administration, and also a great demand on our straitened financial resources.

Mr. WATSON. — It must be admitted that the Commonwealth could bear that strain better than can South Australia.

Mr. DEAKIN. — The honorable member for Bland may draw comparisons between the capacity of the Commonwealth and the capacity of a State, and show that the advantage lies with the Commonwealth, if he neglects the bookkeeping sections of the Constitution, under which for the next five or ten years our hands are tied very much more than are those of any State. Each State has within its range far greater freedom and elasticity for that period than has the Commonwealth.

Mr. WATSON. — This would be a new expenditure borne per head of the population.

Mr. DEAKIN. — It would be borne by the whole of the States of the Commonwealth, but it would necessitate raising four times the amount by means of customs and excise, or the early introduction of direct taxation. The honorable member appears to infer that because, in the discharge of my duty, I call attention to these possibilities I am, therefore, opposing the motion. I am not opposing the motion, because, in my opinion, at an early date if possible, but sooner or later in any case, the necessities of the Australian situation will force on the Commonwealth the control of this territory. What we have to do, however, is to take care that in admitting the necessities of the situation we do not ignore financial and other obligations. If we take a leap, we do so with our eyes open. But as a matter of fact, it is not possible for us to take the leap without the consent of South Australia; and by the kindness of the honorable member in charge of the motion, I have had the opportunity of reading the resolutions recently carried in either House of the Parliament of that State. The first resolution says practically that the offer which you, Mr. Speaker, made, when Premier of South Australia, shall be considered as practically withdrawn.

Mr. MAHON. — Is there power to withdraw the offer?

Mr. DEAKIN. — Undoubtedly there is both legal and constitutional power to withdraw it. The second resolution says that not only shall that offer be withdrawn, but that it is only by assuming the liabilities, and on undertaking to construct a costly and probably unremunerative railway that the Commonwealth shall be permitted to acquire the territory. The necessities of the Commonwealth are severe; of the necessities of South Australia I leave the representatives of that State to speak. But clearly, although we may recognise what may be termed our manifest destiny in the matter, we cannot — controlling, as we do, the influx of labour and the conditions of tropical cultivation — refuse to shoulder the responsibilities of the Territory when they are cast on us. It is much more the interest of South Australia to cast their burden on us than it is our interest, looking at the matter in a selfish light, to accept it. There is first what may be termed the moral claim of South Australia on the Commonwealth, which now controls the coloured races, whether re-entering the Commonwealth or to be found within its boundaries; there is next the general duty of the Commonwealth to undertake a task which is likely to prove too great for the powers of the State. These are the substantial reasons why South Australia should transfer this territory, and I have just indicated the reasons why we should accept it. I do not desire to detain the House, but if I did so, should have required to consider some of the valuable remarks made by the honorable members for South Australia, Mr. Poynton and Sir Langdon Bonython. But the speeches of those gentlemen, like the speech of the mover of the motion, remain on record, and it is sufficient, at this stage, to say that the matter has not until now escaped the attention of the Government. One of the first duties which fell to my lot on taking over the temporary control of the Department of External Affairs was to call for the papers, in order to be quite prepared to lay before the House, when necessity arose, a complete statement, from the official standpoint, of the present position of the territory. I found that a very valuable Royal commission had investigated the matter in South Australia, and that a great mass of evidence had been accumulated, but unhappily that evidence was entirely without an index. The report of the commission was a

model of brevity and straightforwardness, but it did not disclose the particular grounds upon which its conclusions were reached, and did not furnish the means of analyzing the evidence, from our new stand-point. One of my first acts was to direct that a proper index should be prepared; that would have been completed by this time but for the fact that the officer directly concerned has been temporarily lent to the *Drayton Grange* Royal Commission. But the index will shortly be completed; and when the evidence, together with all the other papers and speeches delivered, have been collected, the Government and Parliament will be put in possession of well-digested information, very fairly up to date. It seems to me that the motion, in itself, has much to recommend it, if it be put in a form not quite so peremptory as that in which it was originally submitted. Taking into consideration all the circumstances, and realizing that, even if we do express our willingness to acquire the territory, it remains a matter of terms to be settled on a business basis, so that some equitable arrangement may be come to which will be fair to South Australia, and not plunge the Commonwealth into unjustifiable expense, I suggest that the honorable member for South Australia, Mr. V. L. Solomon, accept, not the amendment of the honorable member for Richmond, which appears to point a little too directly towards a Royal commission, but an amendment which I shall indicate. Until we have had an opportunity of thoroughly examining the information already in our possession, I do not wish to commit the Government to the appointment of a Royal commission, which may or may not be necessary. The Government is pressing on inquiries, and when these have been completed, honorable members will be made masters of the subject. I suggest that all the words after "Commonwealth" be omitted, and the words "on just terms" inserted in lieu thereof. It would not be decorous for the House, in view of the action recently taken in both Houses of the South Australian Parliament, to direct the Government to open negotiations which the other side are temporarily unwilling to take part in. It is not our business to enter into negotiations; and I am inclined to think the honorable member had that in his mind when he hesitated to press the

Mr. Deakin.

resolution this afternoon. My suggested amendment will show that the Commonwealth Government are willing to acquire the territory on just terms, but it will not require us to make proposals which may be flouted or set aside. The amendment will enable us to proceed with the task we have already undertaken, namely, that of preparing from the official documents, and other trustworthy information that can be collected, a statement with regard to the Northern Territory which will enable us to discuss terms and conditions with a full knowledge of the situation. Having done that, we shall be able to present to Parliament propositions supported by the facts and figures necessary for their complete comprehension. I apologize for having delayed the House, perhaps, longer than was necessary; but it would not have been proper to consent to this motion light-heartedly, as if it were a mere matter of a few pounds, or some trifling accession of territory. It would not have been proper to consent to the motion without indicating the very serious responsibilities involved, financial, legislative, and administrative. It was due to the honorable member for South Australia, Mr. V. L. Solomon, and to his colleagues who supported the motion, not to treat it with less consideration than they had done, which would have been the result had it been dismissed with a few words. It seems to me that the motion ought to be carried so long as the form does not unduly force the hands of the Commonwealth into entering on what, must necessarily be, to some extent, a bargain with another State. At the same time, I quite agree that no huxtering spirit should prevail. We shall expect the South Australian Government to meet us on that broad basis on which a State should conduct important transactions of that kind, while the Commonwealth must not fight for the last farthing, or seek to take advantage of the difficulties of the South Australian Government in order to take this territory, without making reasonable compensation for the great work already done, and the many sacrifices, financial and otherwise endured in order to preserve this territory for the white race.

Mr. CONROY (Werriwa).—I am sorry the motion has been brought forward, and regret that the honorable member for South Australia, Mr. V. L. Solomon, was not able to withdraw it. It is a motion to which we

ourselves of our own knowledge, and submitted our report. I do not see that we could have arrived at any conclusions other than those set out in the report if we had examined witnesses from Sydney, Melbourne, or any other part of Australia. I am pleased to be able to say that our inquiries, and a scrutiny of the returns submitted to us, show that the alleged expenditure in connexion with federal printing was extremely exaggerated, and that there was no justification whatever for the reports that the printing bill would be either £40,000 or £78,000 per annum. The report shows that for the first fifteen months of the Federation the expenditure was £24,647, being at the rate of £1,643 per month, or only £19,716 per annum. That, of course, is an absolute and unqualified refutation of the fairy tales which were being industriously circulated by those who were either not properly informed or who made statements without a due sense of their responsibility. It is a matter for general congratulation in this House, and in the Parliament, that our investigations were able to establish that fact. I would further point out that the £19,716 expended for printing is not confined to what may be generally described as "new" departments, consequent upon the inauguration of our federal system. As shown in a letter from the Government Printer, which appears in the appendix, it includes the cost of printing Bills connected with the Customs, Post and Telegraph, and Defence departments, during the whole of that period. As a matter of justice, as well as of reason, the federal system ought not to incur either censure or praise, because of any extra expenditure in connexion with these old departments. It is certain that the Customs department must have incurred expenditure for printing long before its transfer to the Commonwealth, and the same remark applies equally to the Defence, and Post and Telegraph departments. As a matter of course, the revenue of these departments was taken over by the Federal Government together with the expenditure, so that the latter cannot reasonably be charged to the federal system. But the return which was presented to this House includes the cost of printing all the very elaborate and expensive Bills connected with the transferred departments, namely, the Post and Telegraph Bill, Defence Bill, Customs

Bill, and the whole of the other measures which have been dealt with by this Parliament during the present session. The case for the federal system as a whole is, therefore, much better than it appears at first sight. I was under the impression that the sum of £19,716 included merely the expenditure connected with new and original departments. The result of our investigations, however, shows that it includes, not merely the expenditure incurred by new departments, but that incurred by the transferred departments to which I have already referred. That fact alone justifies the appointment of the committee. But the result of our inquiry went much further than that. It swept away the false rumours in circulation, and showed that the expense was not so alarming as to render necessary any very drastic reform such as was suggested by the last speaker. As a matter of fact, we were satisfied that no unnecessary expenditure had been incurred in the printing-office, and that there was no necessity to examine printers outside of the Commonwealth departments as to the way in which they conducted their own businesses. We further concluded that, considering the long delays which they have to suffer in waiting for copy, and the long hours which they are on duty, the small extra remuneration of 3d. per thousand to the compositors employed by the Commonwealth is well earned.

Mr. WATSON.—The increased pay is more apparent than real.

Mr. FOWLER.—That matter is dealt with in paragraph 6, on page 5.

Sir JOHN QUICK.—We were quite satisfied that it was not necessary to ascertain how much per page was involved in the printing of *Hansard*. In its present form the report is elaborate enough. Sufficient particulars have been supplied to the House to enable the committee to feel that they have fairly discharged their duty. Complaint is being made that we have not submitted any vast scheme for retrenchment. We did not see our way to do so. We did, however, investigate a number of points which were brought under our notice, and in regard to which we thought important savings might be effected. We cannot afford to despise retrenchment in small matters.

Mr. WILKS.—I wish that the Senate would hurry up.

Sir JOHN QUICK.—I am not anxious to speak—I am merely acting as the mouth-piece of the committee. I am in a very

COMMONWEALTH PRINTING.

Motion (by Mr. DEAKIN) proposed—

That the report of the Printing Committee be now adopted.

Mr. SPEAKER.—It seems to me that, as recommendation No. 1 of the Printing Committee's report affects the other branch of the Legislature alone, it is inexpedient that this House should adopt any resolution in regard to it. In the matter of recommendation No. 4, I desire to inform honorable members that if it is passed as it stands, no member of the House who is neither a Minister nor a member of the Printing Committee can under any circumstances move for the printing of any paper, which is contrary to Standing Order No. 322, while No. 2 is contrary to other standing orders. In respect to recommendation No. 7, the reduction referred to has already been made.

Mr. MAHON (Coolgardie). — Recommendation No. 4, to which you, Mr. Speaker, directed attention, is one to which I think the House is scarcely likely to agree. The committee recommends—

That no despatch, report, or paper presented either to the Senate or the House be printed except (a) on a motion proposed by some responsible Minister of the Crown for special reasons duly stated;—

I do not know why the word "responsible" is used, because presumably every Minister of the Crown is a responsible Minister—

or (b) on the recommendation of the Printing Committee of either Chamber duly confirmed.

It seems to me that that is a very arbitrary proposal. It deprives members of this House of a privilege which members of Parliament have enjoyed from time immemorial, and I think that the House should not adopt it. I have gone through the committee's report as carefully as my limited time would allow, and I am sorry to say that it reminds me of the old fable of the mountain in labour. In my opinion, a very small result has followed the rather Herculean efforts of the committee. I cannot understand why the committee, with every opportunity available to it of calling expert witnesses, of whom, perhaps, there are at least 100 in Melbourne, were content to confine their investigation to the examination of the Government Printer, the Clerk of the Senate, the Clerk of the House of Representatives, and the Chief Reporter. The committee were charged with the investigation of a

highly technical matter, in regard to which very few, if any, of its members had any expert knowledge; but, instead of going outside and ascertaining from individuals engaged in private enterprises what their views on the subject were, the committee carefully avoided that course, and confined its investigation to the examination of the officials whom I have named. Considering the nature of the work which the committee was called upon to perform, it seems to me that some of the Melbourne printers should have been invited to look carefully into the matter, and to offer what information they could on the subject. Some time ago the Treasurer made rather a point of the statement that the printing which is being done for the Commonwealth in the Melbourne Government Printing-office is being done at cost price; but I find that whereas the compositors employed in setting up the Victorian *Hansard* reports are paid only 1s. per 1,000 ens, the Commonwealth Government have in their generosity paid 25 per cent. more, or 1s. 3d. per 1,000 ens, for the setting up of the reports of the debates of the Commonwealth Parliament.

Mr. CROUCH.—That is not a fair way to put it.

Mr. MAHON.—The honorable and learned member will hear, before I have finished, a few more remarks which he may consider unfair. I will presently reach the point which is troubling him. The statement which I have just made gives the exact facts. It may be said that members of this Parliament make more corrections than are made by the members of the Victorian Parliament, and that the work has to be done under different conditions; but will any one contend that it is not essentially the same work for which the Commonwealth is paying 25 per cent. more than Victoria pays?

Mr. WATSON.—That is quite little enough to pay the men.

Mr. MAHON.—I am not denying that, nor asserting that the men are overpaid. The honorable member is trying to take a point. We are being continually told that this work is being done at cost price, and I reply that the price is greater than is paid for the same class of work by this State.

Mr. WATSON.—The Commonwealth Treasurer authorized the payment of the extra amount to those engaged upon the Federal *Hansard*.

Mr. MAHON.—That may be. I am not disputing that the payment of the extra rate was duly authorized, and that it is deserved. I see that at question 297, the Chief Parliamentary Reporter was asked how many pages *Hansard* contained up to the 31st March, 1902. The answer was 11,250 pages, and it was stated that the cost of production was £12,630. That would bring the cost of *Hansard* to £1 2s. 6d. per page. From a return previously laid upon the table of the House, I ascertained that the cost of paper used in the production of *Hansard* was £2,130, so that the cost of printing 11,250 pages was £10,500, or about 18s. 8d. per page. The *Hansard* is set up in what is known as long primer type, and contains about 4,000 ens per page. Therefore, the total cost of setting up one page of *Hansard* would be about 5s.—that would be the total amount paid to the compositor. Yet, if we are to credit the Treasurer, the work is being done at cost price, notwithstanding that we are paying 18s. 8d. per page instead of 5s. for setting up the type. Of course, a certain amount of allowance must be made for corrections, proof reading, binding, and the like; but after taking everything fully into account, there is a serious discrepancy somewhere, which emphasizes my contention that the committee should have called in some expert authority to give them information.

Mr. POYNTON.—What better expert information could be obtained on the subject of corrections?

Mr. MAHON.—There would be no difficulty in the matter. If proofs of *Hansard* showing the corrections for a week, were submitted to any printer in Melbourne he could, within half-an-hour, give an estimate of the cost of making the corrections. Even if the matter were re-set entirely at a cost of 5s. per page, there would still be a very large discrepancy to account for. I suppose it is inevitable that we should have the greater part of the parliamentary printing done in Melbourne. This probably explains why out of £17,215 spent on printing for Parliament we paid the Victorian Government Printing Office £17,073, leaving only £142 to be distributed amongst the offices of other States. Of course, if the work were done at cost price—which I take leave to doubt—there would not be much to grumble at. Before I proceed any further, I should like to ask how it is that the department of Home Affairs has

spent £2,747 11s. 2d. in printing in Queensland? That seems an extraordinary circumstance, regarding which the Minister should be prepared to furnish some information. I notice also, that 250 copies of *Hansard* are being sent to the Agent-General of Victoria in London. I do not see anything in the report to show why this should be done, or any recommendation that the supply should be discontinued.

Mr. POYNTON.—We have cut down the supply of *Hansard*, but have not gone into details.

Mr. MAHON.—But I wish to know why we should send 250 copies of *Hansard* to the Agent-General of Victoria any more than to any other Agent-General?

Mr. DEAKIN.—Because in connexion with the circulation of parliamentary papers the Agent-General of Victoria acts for the Commonwealth. I may further inform the honorable member that these 250 copies of *Hansard* are distributed among the leading newspapers in England and other agencies for disseminating public information.

Mr. MAHON.—I am glad to have that explanation. I think that the committee have overlooked a most important recommendation. In the reports concerning the pearl-shelling industry which were recently printed, honorable members will see reproduced some half-dozen very expensive maps with which we might very well have dispensed. Although I am very much interested in the pearl-shelling question, which to some extent affects my constituency, I cannot see that these maps are necessary to enable any one to thoroughly understand the reports. I would also point out that the expense of printing documents ordered by this House might be very materially reduced if some one would take the trouble to sub-edit them. If honorable members refer to almost any of the reports laid upon the table, they will notice that they include a lot of unnecessary verbiage, and we ought to compel the officers of the departments from which these documents emanate to make abridgments for printing purposes. Therefore, if I am in order, I desire to move an amendment in this direction.

Mr. SPEAKER.—I understood that the honorable member was moving the adoption of the report, otherwise I should not have permitted him to speak, because, until the adoption of the report has been moved, there is really nothing before the chair. The honorable member would be in order if

I might take it that the Acting Prime Minister had formally moved the adoption of the report.

Mr. DEAKIN.—I am willing that it should be taken that I have, on behalf of the honorable and learned member for Bendigo, formally moved the adoption of the report.

Mr. SPEAKER.—Then the honorable member for Coolgardie may move an amendment upon the report.

Mr. MAHON.—I do not wish to impose any fresh duty upon the Clerk of the House. In recommendation No. 6, the committee suggest that if the Clerk sees that the cost of printing any document will be very great, he may report his opinion to the Speaker or the President, as the case may be. I move—

That the report be amended by the addition of the following recommendation :—8. The Clerk of the House which orders any despatch, report, or paper to be printed may return the document to the department by which it has been prepared, with the request that an abridgment of the same be made, and that such abridgment be printed in lieu of the original.

I also desire that recommendation 4 be amended to read as follows :—

“That no despatch, report, or paper presented either to the Senate or the House be printed except (a) on a motion for special reasons duly stated; or (b) on the recommendation of the Printing Committee of either Chamber, duly confirmed.”

Sir JOHN QUICK (Bendigo). — I must apologize for not being in my place when this report was presented to the House for its consideration. I may remind honorable members that the report is the work of a joint committee of both Houses—a committee upon which both sides of this Chamber and of the Senate were fairly represented. The committee did not represent any particular view or party. Both branches of the Legislature were interested in the inquiry, and every shade of political opinion was represented in the committee. I would further remind honorable members that the committee have reported upon the cost of work for which the House itself, and the Senate were responsible, and not merely upon expenditure authorized by the Executive Government. Our mission was to investigate the whole cost of printing, including that which was ordered by both the Senate and the House of Representatives—printing for which the mouthpiece of the House, in the person of the Speaker, and the mouth-piece of the Senate, in the

person of the President, were responsible. Consequently our report is not intended to be a criticism of what has been done either by the Executive Government or by any department, but of the printing of the Commonwealth as a whole. The reason why a joint committee was instructed to investigate and report upon this matter was that some time last year very exaggerated statements were circulated in the press regarding the cost of federal printing, and concerning certain extraordinary expenditure connected therewith, which, it was alleged, was caused by our new federal system. Some of those statements were of a very startling and extraordinary character, one being to the effect that federation had caused a new expenditure upon printing which amounted to upwards of £40,500 for the first year. Another report went further, and declared that the federal printing bill would amount to £78,000 per annum. These statements were calculated to damage not only the Federal Government, and this Parliament, but the whole federal system. Consequently, all who were interested in maintaining the good name of our federal institutions felt anxious that the statements contained in these reports should be investigated, so that, if they proved to be true, we might ascertain how far such expenditure was justified. Of course our work has been a very important one, and I may say that the committee devoted a considerable amount of attention to it—as is disclosed by the evidence which has been collected and printed. We also made numerous private inquiries, which have resulted in the best recommendations at which we could see our way clear to arrive. We did not desire to launch into a very wide or expensive inquiry, extending over numerous and long sittings. Neither did we wish to examine outsiders, if we were satisfied that the expense which was being incurred upon our printing was reasonable. Had we felt doubtful whether that expense was justifiable, or whether the wages being paid to our employes were unduly high, we should have consulted outsiders in regard to the matter. But after examining the Government Printer, and other Commonwealth officers, and exercising our own knowledge of the world, we concluded that it was not necessary to take the opinion of outsiders, either in regard to the wages paid, or the nature of our federal printing. We availed

ourselves of our own knowledge, and submitted our report. I do not see that we could have arrived at any conclusions other than those set out in the report if we had examined witnesses from Sydney, Melbourne, or any other part of Australia. I am pleased to be able to say that our inquiries, and a scrutiny of the returns submitted to us, show that the alleged expenditure in connexion with federal printing was extremely exaggerated, and that there was no justification whatever for the reports that the printing bill would be either £40,000 or £78,000 per annum. The report shows that for the first fifteen months of the Federation the expenditure was £24,647, being at the rate of £1,643 per month, or only £19,716 per annum. That, of course, is an absolute and unqualified refutation of the fairy tales which were being industriously circulated by those who were either not properly informed or who made statements without a due sense of their responsibility. It is a matter for general congratulation in this House, and in the Parliament, that our investigations were able to establish that fact. I would further point out that the £19,716 expended for printing is not confined to what may be generally described as "new" departments, consequent upon the inauguration of our federal system. As shown in a letter from the Government Printer, which appears in the appendix, it includes the cost of printing Bills connected with the Customs, Post and Telegraph, and Defence departments, during the whole of that period. As a matter of justice, as well as of reason, the federal system ought not to incur either censure or praise, because of any extra expenditure in connexion with these old departments. It is certain that the Customs department must have incurred expenditure for printing long before its transfer to the Commonwealth, and the same remark applies equally to the Defence, and Post and Telegraph departments. As a matter of course, the revenue of these departments was taken over by the Federal Government together with the expenditure, so that the latter cannot reasonably be charged to the federal system. But the return which was presented to this House includes the cost of printing all the very elaborate and expensive Bills connected with the transferred departments, namely, the Post and Telegraph Bill, Defence Bill, Customs

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Mr. WILKS. — I wish that the Senate would hurry up.

Sir JOHN QUICK.—I am not anxious to speak—I am merely acting as the mouth-piece of the committee. I am in a very

thankless position if, having been asked to sit upon this committee, I am refused an opportunity of explaining the results of our inquiries. I was calling attention to the fact that the recommendations of the committee refer to matters of detail, but even in reference to these we thought that economies might be effected in various quarters. In making our recommendations, we intended no reflection upon any department, or any particular officer or officers. It was merely thought that in the beginning of our federal system the practice of the various States in regard to many matters might be improved, and that if savings could be effected, they should be made. One of the joint recommendations alone, if carried out, will result in a considerable saving, though on its face, it is apparently a small matter. The committee recommend—

(1.) That the practice of printing questions and answers in the Senate journals be discontinued. Of course we sat as a joint committee, and that is why the paragraph which I have quoted appears in the report. We represented both Houses, and senators agreed to recommendation No. 2 just as the representatives of this House upon the committee acquiesced in recommendation No. 1. Of course we could not give effect to that recommendation. We have no desire to pass resolutions dictating to the Senate any more than we expect that Chamber to adopt resolutions dictating to us. It may be that paragraph 1 might with advantage be omitted, leaving the Senate to deal with it in any manner that it thinks fit. Paragraph 2 recommends—

That the practice of printing weekly reports of divisions in committee of the House of Representatives be discontinued.

That practice is founded upon Standing Order 307, and if our recommendation is adopted it cannot be given effect to until the standing order in question is modified, as no doubt it will be in due course. Paragraph 3 is intended to operate as a sort of brake on any tendency in the direction of expense in printing amendments or new clauses in block or erased type. It is thought that the House ought to have supreme direction in a matter of this kind. At the present time, a Minister or the Speaker may order amendments to be so printed, but in the opinion of the Printing Committee, a Minister who desires that course to be taken ought to ask the

Sir John Quick.

consent of the House. Paragraph 4 is intended to be a check on wholesale motions for the printing of documents.

Mr. McDONALD.—Why confine the privilege to Ministers?

Sir JOHN QUICK.—At the present time any honorable member may, under Standing Order 316, move that a document be printed.

Mr. MAHON.—There has never been such a motion in this House.

Sir JOHN QUICK.—It has been found that sometimes even a Minister is liable to move that documents be printed, and afterwards, on reflection, to find that such a step was unnecessary.

Mr. DEAKIN.—Can a standing order be altered by a report?

Sir JOHN QUICK.—No; and this paragraph in the Printing Committee's report simply amounts to a recommendation for a subsequent amendment of the standing orders. In one case a document was printed on the recommendation of a Minister, and it was afterwards found by the clerk that an almost precisely similar document had been prepared for one of the States Governments, and could, with a little alteration and small expense, be made available for the Commonwealth Parliament. On the matter being brought under the notice of the Speaker, the suggestion of the clerk was acted upon, and there was thereby saved an expenditure of over £200. It is thought by the Printing Committee that even a responsible Minister should move the printing of any report—such as that, for instance, recently presented on the pearl fisheries, and give reasons to the House.

Mr. MAHON.—I cannot understand why private members are not allowed the same privilege.

Sir JOHN QUICK.—A Minister is in a responsible position, and has opportunities of perusing the report, and forming an opinion before presenting it to the House.

Mr. McDONALD.—Supposing the House desires a document printed, and a Minister refuses to submit a motion to that effect?

Sir JOHN QUICK.—Then an appeal may be made to the Printing Committee, who can order the document to be printed. Only last week a request was made by an honorable member for a document to be printed, and the committee after holding a special meeting granted the request. The reason for restricting such motions to

Ministers is that very often, out of pure good fellowship, private members' motions for documents to be printed are passed undebated and unconsidered. If we are to keep expenses within reasonable limits, the House will have to submit to the self-denial ordinance suggested.

Mr. McDONALD.—It is a curtailment of our privileges.

Sir JOHN QUICK.—If an honorable member desired a report or other document printed, there should be no difficulty in approaching the Printing Committee and asking their consent. At any rate, it is for the House to decide whether this recommendation of the committee introduces an undue restriction. And all I can say is, that the recommendation is submitted in the interests of the House, and that all honorable members are on the same footing.

Mr. WATSON.—In New South Wales documents first go before the committee, and if they fail to recommend, any honorable member may move that it be printed.

Sir JOHN QUICK.—At any rate, the recommendations represent the unanimous opinion of the Printing Committee. We have done our best, and we now leave the report to the House. One result of the inquiry is extremely satisfactory, and that is the refutation of statements which were put in circulation as to the cost of federal printing, and which were seriously calculated to damage the federal system of Government.

Mr. FOWLER (Perth).—I am sorry to hear the honorable member for Coolgardie object to the report, though, after all, his objections do not amount to very much. It must be remembered that the printing committee had no particular instructions to initiate any very sweeping reform. It was primarily an investigation as to whether charges in regard to excessive printing expenditure were or were not justified. It must also be remembered that the present printing arrangement in connexion with the printing of *Hansard* and other documents is only temporary. It has been urged by the Government Printer of Victoria, Mr. Brain, that it would be well to let any attempt at more drastic reforms stand over until the Federal Government is able to order its affairs in a more definite fashion. As to *Hansard*, it is the intention of the Government Printer to employ typesetting machines, which will undoubtedly reduce the cost. At the same time we have

been given to understand that the cost is not much beyond what is usually charged for work of this kind. It is work which is always regarded as demanding special care, and, for that reason, entitled to special payment. As to the rate of 1s. 3d. per 1,000, I draw the attention of the honorable member for Coolgardie to paragraph 56, on page 5 of the report, in which, I think, he will find a perfectly satisfactory explanation. The men employed by the Federal Government have to work at hours when they are entitled to more pay than are those employed on the work of the State Governments. I, for one, am perfectly prepared to accept the responsibility of giving these men the extra 3d., which, I understand, is not altogether representative of the difference between their position and the position of printers who set up type for the States Governments. An allowance of 10 per cent. is made, at least in some of the States, in connexion with the work done for *Hansard*. I am unable to follow the honorable member for Coolgardie in his observations as to recommendation No. 4. He objects, in the first place, that an attempt is being made to curtail privileges of members in regard to the printing of certain documents, and yet in the next breath he urges that certain documents shall be abridged, or edited by, I presume, the Clerk of the House. I fail to follow the necessity for allowing a privilege with one hand and modifying it with the other.

Mr. MAHON.—What about the honorable member's own recommendation, under which the Clerk may suspend an order of the House?

Mr. FOWLER.—The Clerk, as a matter of fact, exercises his commonsense and judgment in regard to all matters which pass through his hands, and he indicated to the committee several instances in which his work had resulted in a considerable saving to the federal printing account. On the whole I would remind the House that what the committee have done amounts to very definite savings. The limit of our action was narrow, and the present arrangement is only temporary, and I think I may fairly urge that the committee were not justified in proposing more drastic changes, but that what they have recommended is a direct improvement in the way of economy.

Mr. E. SOLOMON (Fremantle).—As one of the members of the printing committee, I should like to say a few words. The whole

question was considered very exhaustively, the witnesses being most minutely examined. It was shown that the expenditure on printing for the Federal Parliament is not more, or, in some cases, not much more, than the amount expended on similar work by the States Governments. The object of the committee was to see that the expenditure was not allowed to be any greater than is absolutely necessary under the circumstances. The report has been explained in detail by the chairman of the committee, and I do not think it necessary for members of the committee to add much. We feel sure that the few recommendations will not be regarded as made with any desire to dictate, but merely as suggestions to the House. The honorable member for Coolgardie can scarcely have thoroughly considered recommendation No. 4. That recommendation is made because it was found that similar motions passed in both Houses led to duplication of printing, and the idea is that the Clerks shall communicate in order to prevent unnecessary expense.

Mr. WILKS (Dalley).—I thoroughly sympathize with the last speaker, who, as a member of the committee, would no doubt like to see all the recommendations carried out. Apparently the work of the committee was to silence some statements made in the press in regard to the excessive cost of printing; and in that respect they have succeeded fairly well. The only recommendation which will have the effect of economizing is the fourth of the committee's recommendations. Some honorable members have stated that to carry that recommendation into effect would curtail their rights and privileges. I have had some experience of what has been done in New South Wales in regard to parliamentary printing. There the amount of printing done has been very large. The Printing Committee has made a comparison between the printing done for the Commonwealth Parliament and that done for the Parliament of Victoria, but if they had made a comparison with that done for the Parliament of New South Wales, it would have been still more to our advantage. In New South Wales the cost of parliamentary printing came to be so great that a few years back a Printing Committee was appointed, consisting of members chosen at the commencement of each session, to determine what papers should be printed. Now, when

a member thinks that a document for which he has moved is of such importance that it should be published at the expense of the State, he must appear before the committee, and give reasons why it should be printed. If he does so, and the reasons are considered satisfactory, the committee authorizes the printing of the document. It often happens that the papers laid upon the table of the House contain information which is of interest only to the member who has asked for them, or to one or two of his constituents, and such papers are not allowed to be printed; but where a document is of general importance, the committee accede to a member's request to have it printed. That system, which entails no breach of privilege or loss of right upon members, might very well be adopted here, and, if adopted, would save considerable expense. There is one part of the report to which I particularly take exception. The committee say—

At the beginning of the session the proceedings of the Federal Parliament were fairly well reported in the metropolitan newspapers. There has been of late a distinct falling-off in the character and value of those reports, and a tendency on the part of some of the leading newspapers to condense their reports into mere skeleton summaries, whilst in some cases even the pretence of reports is dispensed with, and sketches of an amusing description, but sometimes inaccurate and unjust, have been substituted.

The committee therefore recommend that, for the information of the Australian people, and for the protection of honorable members, the Federal *Hansard* be maintained in unimpaired efficiency. I agree that the efficiency of our official reports should not be impaired, but I do not think that we should be called upon to indorse the committee's statements in regard to the parliamentary reporting of the newspapers. No doubt some honorable members are reported at greater length than are others.

Mr. PAGE.—The honorable member has no reason to complain.

Mr. WILKS.—That is so, and I am not complaining. I simply wish to point out that the newspapers are private concerns, which are run, not for the advantage of Members of Parliament, but to make money, and their proprietors are the best judges of the requirements of the public in the matter of the reporting of parliamentary proceedings. It is not often that one has an opportunity to publicly compliment the press, but I wish to use this occasion—I am not

honorable members agreeing to retire at a period which will enable the elections for the House of Representatives to take place simultaneously with those for the Senate. From every stand-point the matter should engage the best attention of the House and of the Government. I heartily support the motion.

Mr. PAGE (Maranoa).—Having listened to the arguments advanced by the honorable member for South Australia, Mr. Poynton, and the honorable member for Canobolas, I cannot see how this motion is practicable. The Constitution declares that the States shall regulate elections for the Senate, and this House has no power to compel the States to provide that they shall be carried out simultaneously with those for the House of Representatives. For example, in Queensland the elections for the Senate may be held upon Saturday, whilst in South Australia they may be decided upon Monday. These are some of the difficulties with which the mover of the motion has omitted to reckon. On the other hand, let us suppose that there is a dissolution of this House but not of the Senate. How does he intend to cope with that position?

Mr. POYNTON.—That would not be a general election.

Mr. PAGE.—It would be a general election so far as this House is concerned. This Chamber has no power to order that the elections for both Houses shall take place upon the same day. Of course, I thoroughly sympathize with the desire of the honorable member for South Australia, Mr. Poynton, to secure economy. We should reduce the expenditure incurred in connexion with the conduct of general elections as much as possible. At the same time I should like to know how he proposes to overcome the difficulties to which I have referred. It would be a perfect farce if elections for this House were held upon one day, and those for the Senate were held in the various States upon six different days.

Mr. POYNTON.—I do not think that that is possible.

Mr. PAGE.—It is not only possible, but it is very probable. The honorable member knows enough about party Government to realize that the Ministry will not go to the country at a time when they expect to be defeated. If I had to determine the matter I should fix a day that would best suit

my party, and the honorable member would do likewise. A statement has been made which I think should be contradicted by the Minister in charge of the Electoral Bill. He declares that the next election in connexion with this Parliament will cost more than did the last one. We have been assured by the Minister, times out of number, that it will not cost half as much as did the first federal election, and yet some honorable members declare that it will involve a larger expenditure. It has not, however, been shown how that result will be brought about. To my mind, they should support their assertions by facts.

Mr. POYNTON.—We have increased the facilities for voting.

Mr. PAGE.—But at the same time we have simplified the method of voting, and made it more effective. When the Electoral Bill was before this House, not a single suggestion was made that the increased facilities which it confers upon voters would involve a greater expenditure. I would further point out that, in Victoria and Western Australia, elections have been carried out under the system proposed in that measure. In this connexion the experience of Western Australia is that the elections conducted there are less expensive than they are in the model State of South Australia—the State that could do no wrong if it tried, not even in the appointment of military drill instructors. I fail to see that the honorable member for South Australia has made out a good case for his motion.

Mr. McDONALD (Kennedy).—I hope that this motion will be carried, because, by its adoption, the Commonwealth will save £40,000. That fact, in itself, should be sufficient to recommend it to the favorable consideration of the House. I fail to see any difficulty in members of this Chamber going before the country simultaneously with senators, and I do not apprehend that any of the States would be so stupid as to provide that the two elections should not take place on the same day. The last federal election cost about £50,000.

Mr. O'MALLEY.—£70,000.

Mr. McDONALD.—I am not quite sure that it did cost £70,000, but I know that it cost £50,000. If two elections are to be conducted within a month of each other we shall have to incur a double expenditure. I would further point out that when the last federal election took place the whole of the electoral rolls were compiled for us by the

Mr. DEAKIN.—May I ask whether the honorable member intends that his motion shall apply to the next elections only, or to elections in general?

Mr. POYNTON.—It would apply to all general elections.

Mr. DEAKIN.—No matter when the previous dissolution might have taken place?

Mr. POYNTON.—In the case of a dissolution it might not always apply. Our Constitution provides that three at least of the members of the Senate for each State shall seek re-election in January, 1904, because their three years' tenure as members of that House dates from the January preceding the date of their election.

Mr. DEAKIN.—That applied to the first election only. In regard to all subsequent elections the term dates from the January succeeding the date of the election.

Mr. POYNTON.—Under our Constitution the election for the Senate will take place some months before the election for this House, and what I wish to avoid is the expenditure of, say, £50,000 upon the election of eighteen senators, and a further expenditure of a like amount in connexion with the general election for this House. There can be no real necessity for any such outlay. In South Australia, the whole of the electoral machinery will be brought into operation prior to January, 1904, to elect three senators. That will probably involve a cost of £5,000. Within four or five months a similar process will have to be gone through, in order to return seven members to this House. Apart from the actual cost to the States, we have to consider the convenience of the electors. With State elections of one kind and another, and the duplication of federal elections, the electors may be called upon to make undue sacrifices. In many cases men have to lose a day's pay in order to record their votes, and some difficulty may be experienced in inducing them to go to the polling booths time after time. There should be no difficulty in arranging to hold the elections for the Senate and the House of Representatives upon the same date, and I hope honorable members will support the motion.

Mr. O'MALLEY (Tasmania).—I have great pleasure in seconding the motion. If it is carried out it will involve some sacrifice on my part. I think that the money that would be saved by holding both elections on the same date might very well be distributed amongst honorable members,

in order to keep them out of the destitute asylum.

Mr. BROWN (Canobolas).—The motion is well worthy of the consideration of honorable members. I am not prepared to apply the principle to all elections, but I think it might be followed with great advantage at the next general election.

Mr. POYNTON.—It would rest with Parliament to alter the conditions at any time.

Mr. BROWN.—Yes, and in view of that fact the honorable member would do well to limit the application of the motion to the next general election. In the ordinary course retiring senators would require to submit themselves for re-election before January, 1904, whereas the term for which honorable members are elected to this House will not expire until some four or five months afterwards. If arrangements could be made for holding the elections for both Houses at the same time a saving of fully £50,000 or £60,000 might be effected. This arrangement would also meet the convenience of the electors. It is difficult to induce the average elector to record his vote. There is considerable canvassing to be done, in addition to which a large number of electors are compelled to make substantial sacrifices in order to exercise the franchise. In many cases long distances have to be travelled, and very frequently the loss of a day's pay is involved. Under this proposal these disadvantages can be considerably minimized. Under existing conditions the elections for the Senate will take place in January, whilst those for this House will be held in May or June. I entertain very grave fears that, if separate elections are held for the two Houses, public interest in them will not be thoroughly aroused, and it is very desirable that the greatest interest should be created in respect of elections for this Parliament. Both Houses are vested with very large powers, and public interest can only be properly concentrated upon the elections if they are held upon the same day. Of course, the adoption of this proposal will involve a sacrifice on the part of honorable members of this House. That, however, cannot be obviated. The time for the retirement of senators is fixed by the Constitution. The elections for the Senate cannot possibly be postponed to bring them into line with those for this House. The only way in which the difficulty can be overcome is by

honorable members agreeing to retire at a period which will enable the elections for the House of Representatives to take place simultaneously with those for the Senate. From every stand-point the matter should engage the best attention of the House and of the Government. I heartily support the motion.

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various States, and the only expense which the Commonwealth had to incur was in connexion with the printing of them. That will represent a very small sum as compared with the cost of compiling the first Commonwealth roll.

Mr. WILKINSON.—The cost of compiling the roll will have to be incurred irrespective of the elections for both Houses being held simultaneously.

Mr. McDONALD.—Exactly. But in connexion with the next election there must necessarily be a considerable increase of cost as compared with the last, by reason of the extension of the franchise to women, which will necessitate double the number of names being placed upon the roll. Consequently, if an election is to be held for the return of eighteen senators, and a couple of months subsequently the members of this House are to face their constituents, the expenditure incurred will constitute nothing short of wilful extravagance. If we put the matter on the low ground of party politics each party will be compelled to contest two sets of elections within three months; and we must all admit that there must be parties so long as we have party government. With increased expenditure, the party with the biggest purse is the one which will score; and in Queensland party feeling is perhaps more bitter than in any other part of Australia. In that State men who cannot vote in the dinner hour or in half a day, have to lose a whole day's pay. If the elections for the two Houses are held at separate times great hardship will be imposed on working men not only in Queensland, but throughout the Commonwealth. As I understand the Constitution, the elections will take place about December.

Sir JOHN QUICK.—At any time during the year preceding the termination of the Parliament.

Mr. McDONALD.—Then I presume the elections will take place about the end of the year, and so far as Queensland is concerned, particularly in the north-west, I should much rather see them take place in December than at any other time. From December to March is in normal years the wet season, and it is of course intensely inconvenient to be cut off by floods from the centres of activity during election time, as I have been on occasions, and as my opponent was at the last federal election. Of

course, it may happen that there is a dissolution of this House without a dissolution of the Senate, and in that case, of course, the extra expenditure must be incurred, but on the present occasion that expenditure can and ought to be avoided.

Mr. DEAKIN.—I move—

That the debate be adjourned.

The motion involves an important question, to which I desire to address myself.

Motion agreed to; debate adjourned.

CUSTOMS TARIFF BILL.

Mr. SPEAKER.—I have to announce the receipt of a Message which is not in the usual form of third-reading Messages; but as we have no standing orders dealing with the matter, and as the departure from the form is apparently immaterial, I propose to read it. It is as follows:—

The Senate returns to the House of Representatives, the Bill intituled "A Bill for an Act relating to duties of Customs," and acquaints the House of Representatives that the Senate has agreed to the further amendment made by the House of Representatives in regard to Senate request No. 38, and has agreed to the modifications made by the House of Representatives in regard to Senate requests Nos. 36, 39, 41, 42, 43, 44, 45, 46, 58, 59, and 66; and has agreed to the modification of the House of Representatives in regard to Senate request No. 9, to which the House of Representatives adheres; and has agreed not to request the House of Representatives to make the amendments originally requested by requests Nos. 4, 7, 8, 14, 15, 16, 20, 25, 26, 29, 30, 67, 86, and 90, and has agreed to the modification as to the date from which the amendments now made come into effect.

The Senate has agreed to the Bill returned herewith, as amended by the House of Representatives at the request of the Senate.

Mr. DEAKIN (Ballarat — Attorney-General).—The Message which has just been read calls for no motion on my part. But the remarks which you, Mr. Speaker, have made, are my first justification for saying that having hastily perused its contents they appear to me to contain a great deal of unnecessary particularity, which may be intended as a courteous response to the Message from this House, but which cannot in any way, whatever may be the intention, affect our position or that of the measure. No doubt, when we pass, as I hope we shall, the joint standing orders to which you, sir, have alluded, the form of Messages will be considered. In the meantime, I do not altogether regret that there should be some special form chosen for a special class of Bills; that is a circumstance which has a

twofold bearing. I may be permitted, without repeating the congratulations, mainly personal, offered an evening or two ago, to congratulate this House on the conclusion of the longest, most arduous, most complex, most difficult, and most important task that any Parliament in Australia has yet attempted. At its conclusion, none of us are entirely satisfied with the measure as it stands, but we all recognise that it is the result of unprecedented devotion to parliamentary duties—of honest work of many months' duration, spent in the endeavour to perfect to the best of our power, and according to our divisions of opinion, the task that was intrusted to us. I desire to say no more with regard to the Tariff as a Tariff, but may remind the public how much, beyond the Tariff imposed, this measure actually means. It now fixes the 8th of October of last year as the date of the imposition of uniform duties; and thus supplies the fundamental financial foundation of the Commonwealth. From that all-important date the several chief periods limiting our powers commence to run. We were required by the Constitution to pass a Customs Tariff within two years, and Parliament has fulfilled that task. In sections 89 and 93 of the Constitution the imposition of uniform duties is made the dividing-line between two slightly different systems of accounts. Under section 90, from the same date, the power to impose duties of customs and excise becomes absolutely exclusive, and the power of the States to legislate in regard to them absolutely ceases and determines. Trade, commerce, and intercourse are from that date throughout the whole of this Commonwealth absolutely free.

Mr. WARSON.—After two years.

Mr. DEAKIN. — After two years of taking accounts. I am happy to say that the Minister for Trade and Customs is about to introduce a new and very much simpler certificate covering all Inter-State transactions, providing nothing more than is absolutely necessary for the statistics of commerce, and for the adjustment of Inter-State accounts. Inter-State free-trade will practically begin from now. The date from which the five years period of our limited financial powers begins is the 8th of October last. The complex calculations for the reduction of the Western Australian duties also commences from that date.

Mr. MAHON.—Is that not illegal?

Mr. DEAKIN.—No; not in my individual opinion.

Mr. MAHON.—Did the Supreme Court not so decide?

Mr. DEAKIN.—The Victorian Supreme Court decided that until the Act was passed no duty was legally imposed, but that was all. In a few days the first year of the special period allotted to Western Australia will have expired. The date now fixed by the Act of this Parliament is, it is scarcely an exaggeration to say, the real beginning of the Commonwealth. It does not mark the entrance of the Commonwealth into its full power, but it marks the time from which it commences gradually to acquire the ample authority intrusted to it by the people. "Finance is Government and Government is finance." The hands of the Commonwealth are tied to a large extent for five years from that date. But now that it has been fixed, we escape much of the indefiniteness of outlook, and many of the doubts, legal and constitutional, hitherto besetting us. From this moment we may begin to exercise by degrees the larger powers and more independent sway vested in Parliament by the people of the Commonwealth.

SPECIAL ADJOURNMENT.

ORDER OF BUSINESS.

Mr. DEAKIN (Ballarat—Attorney General).—I move—

That the House at its rising adjourn until Tuesday, 23rd September.

On that date the financial statement will be made, after which it is customary to proceed with other business. In the present case that other business will be the Electoral Bill, which I hope will be disposed of before we commence the discussion of the Budget.

Mr. McDONALD (Kennedy).—I must enter my protest against the proposed adjournment. We have the Loan Bill and a number of other measures which require to be dealt with.

Mr. DEAKIN.—All these Bills depend on the Budget, and cannot be dealt with before the latter has been disposed of.

Mr. McDONALD.—Nearly three months have elapsed since the close of the financial year, and yet we are told that the financial statement cannot be proceeded with. There must be some reason, which the House is

entitled to know, for this delay. When the financial statements in the various States Parliaments can be made a few days after the end of the financial year, it is hard to see why three months are required by the Commonwealth Treasurer to obtain the information he requires. There seems to be no anxiety on the part of the Government to end the session, and I am given to understand that the desire is to wait until the return of the Prime Minister.

Mr. DEAKIN.—No.

Mr. McDONALD.—That is what I have been led to believe is the reason why the Budget statement is not proceeded with earlier.

Mr. DEAKIN.—I can assure the honorable member that that is a mistake.

Mr. McDONALD.—To those of us who have a long way to go to get to our constituencies every week's delay is serious. It is absolutely selfish for honorable members to consent to continual adjournments, and thus to prolong the session. I have been in Melbourne almost continuously since the 4th May, 1901. I have certainly got my wife and family with me, but I found that there would be no opportunity to get back to my home for a long time to come, and I did not desire to live by myself. I have, however, hardly seen my constituents since Parliament began. It will take at least three weeks after the delivery of the Budget speech to conclude the session, and it will be a week or eight days after that before I can get to my constituency at all. There will then be sufficient time remaining before Christmas for me to visit only a part of it, and I shall be forced to visit other parts of it during the wet season, which I hope we shall have next year. When I was in State politics I tried to visit my constituents as often as possible, and I wish to carry that practice into federal politics. Every elector in my constituency has a right to hear what I have to say on political subjects, if it is at all possible for me to visit him; but the Government are so managing their business that I shall have practically no opportunity to see many of my constituents. We shall probably be brought back here again in February next.

Mr. MAUGER.—No.

Mr. MAHON.—Well, we are not going to sit in Melbourne during another winter.

Mr. McDONALD.—Whether we are called back in February, March, or April,

I shall still have barely sufficient time to devote to the wants of my constituency, and next session is sure to be a long one, because there are so many contentious matters still to be dealt with. When next session is over, the life of this Parliament will be practically at an end, and I shall have to ask my constituents to re-elect me when I have hardly visited them since last election.

Mr. MAHON.—The honorable member will be practically a stranger to them.

Mr. McDONALD.—Yes. The representatives of Victoria are very differently situated.

Mr. SALMON.—We do not object to going on with business, because we are anxious to finish.

Mr. McDONALD.—I have no wish to say anything against the representatives of Victoria. I am simply pointing out that they are much more favourably situated than are other members, and can, if they like, visit their electorates almost every week. I suggest that, instead of adjourning until the 23rd, we should meet again tomorrow, and finish what business remains to be dealt with, except the Budget and the Estimates.

Mr. HIGGINS.—The work is not ready for us.

Mr. McDONALD.—We might easily deal with the Loan Bill before the Budget is delivered, and we could also finish the Electoral Bill, and the one or two minor amending Bills to which the Attorney-General has referred. Then everything would be clear for dealing with the Estimates.

Mr. WILKS (Dalley).—I sympathize with the representatives of distant constituencies who object to the proposed adjournment, but I should like to point out that the strain of the session is probably felt by representatives of New South Wales to a greater extent than by other representatives, because they are called upon to make the long journey from and to Sydney every week in order to attend to the business of Parliament. The proposed adjournment is asked for, I understand, because the Treasurer is unable to deliver his Budget speech straight away, for want of full information. If he has not the information which he should have, the fault lies with the officers of the Customs, the Post and Telegraph, and the Defence departments, who should be brought to book for it. It

Honorable members who have private business on the paper will grumble because they have had no opportunity of bringing it before the House.

Mr. DEAKIN.—We can go on with that to-night, if it is desired.

Mr. WILKINSON.—It would be impossible to consider such a large number of important motions in the few hours that would be available to us to-night. It is with difficulty that we have managed to maintain a quorum even up to the present stage, because many honorable members have left Melbourne under the impression that we should adjourn this evening. The practice of arranging for these long adjournments is one which calls for a very strong protest. The Government should consider those who sit behind them as well as those honorable members who are on the opposite side of the Chamber. They have shown a want of consideration for their supporters, who have been the last to know of their intentions. Apparently the acting leader of the Opposition, and those associated with him, have enjoyed the confidence of the Government to a greater degree than have those upon whom they have depended to maintain them in office.

Mr. FOWLER (Perth).—I must also enter my protest against the way in which this adjournment has been sprung upon some honorable members. It is apparent from the condition of the Opposition benches that certain honorable members have had some intimation regarding the intentions of the Government.

Mr. WILKS.—We had no intimation before we came here to-day.

Mr. FOWLER.—If an arrangement has been entered into between the Government and certain honorable members representing New South Wales—

Mr. DEAKIN.—That is not so.

Mr. FOWLER.—An intimation has been conveyed to some honorable members, because I believe that several have already gone back to Sydney. I fail to see that the slightest consideration has been shown for those honorable members who represent the more remote States. We have been here very patiently attending to the affairs of the Commonwealth for the past eighteen months, and I think it is due to us that we should be advised regarding the intentions of the Government as early as possible, in order that, in common with those who are more favorably

situated, we may make arrangements to proceed to our homes.

Mr. BAMFORD (Herbert).—I heartily indorse the remarks which have fallen from previous speakers. I complain bitterly of the ungenerous way in which the Government have treated their supporters. I concur in what has been said by the honorable member for Moreton: that those who sit behind the Government are the last to receive any information regarding the intentions of the Government. Further, I have every reason to believe that what the honorable member said regarding an arrangement having been made in the Sydney express was perfectly true. I have been told that one member said that he intended to suggest an adjournment to-morrow, and that another stated that he would favour an adjournment to-day. What surprises me more than anything else, is that the proposed adjournment was never mentioned in the *Age*. How the Government could arrive at the determination to adjourn to-night without a recommendation from the *Age*, is to me a matter of great surprise. I hope the Government will reconsider their decision, and ask honorable members to meet to-morrow and then if necessary adjourn for a fortnight.

Mr. McDONALD.—Let us have the Budget and complete our business.

Mr. BAMFORD.—I should prefer that if it were possible, but I believe it is not practicable. I am informed that the Electoral Bill will be ready for our further consideration to-morrow, and it is desirable that we should if possible dispose of that measure before we adjourn. I hope the Acting Prime Minister will reconsider the proposed adjournment.

Mr. R. EDWARDS (Oxley).—I disagree with the remarks of the honorable members who have immediately preceded me. We have come to the end of our business for the time being, and our sitting to-day has nearly lapsed more than once for want of a quorum. I am quite willing to sit here every day of the week when there is any business to transact, but under the circumstances I think the Government proposal is a reasonable one. It is evident that the Estimates will not be brought before us until nearly the end of this month.

Mr. McDONALD.—It is a scandalous shame and a disgrace.

But if the Government were really in earnest in the desire to close the session, and had had a little of the business foresight which characterizes men who are in charge of ordinary commercial concerns, they would have been able to tell us weeks ago what they proposed to do. Now, however, at the last moment, and at the very end of the session, they ask us to consent to an adjournment for thirteen days. It appears that some arrangement has been made that the House shall adjourn this evening, but it is scarcely fair for the Acting Prime Minister to specially study the convenience of a few members of the Opposition without taking others into his confidence. The Government also appear to have forgotten that to-morrow is the day of the month which is usually devoted to the ventilation of grievances. I had a very important matter to bring forward to-morrow, and had I known that the Government proposed to adjourn this evening, I should have mentioned it this afternoon. Now I shall be deprived of an opportunity of directing attention to it unless I mention it at the risk of interfering with more important public business at a later stage. If we are to have these frequent long adjournments, honorable members ought to have fair notice of the intentions of the Government, so that those who are situated as I am may make preparations to get away to their own electorates, to which they are now comparative strangers. I can heartily support the remarks of the honorable member for Kennedy, and I think that the Government might even at this late stage reconsider the proposal to adjourn until the 23rd instant. I understand that the Electoral Bill will be ready for our consideration to-morrow, and as that measure is one of great importance to many of the States, we might very well continue our sittings and dispose of it before we adjourn for such a long period as that contemplated. I would urge the Government to show a little consideration towards the representatives from the more distant States.

Mr. WILKINSON (Moreton).—I am quite in accord with those honorable members who are protesting against this adjournment. From what I can gather, the whole matter was arranged, not at a Ministerial caucus, but by those honorable members who travelled to Melbourne this morning in the express train from Sydney. Honorable members from other States had no intimation as to the

intentions of the Government until we met this evening. Surely the Acting Prime Minister was not so ignorant last week regarding the state of business in the Senate as to be unable to forecast an adjournment such as that now proposed. We are told that this is probably the last occasion during the current session on which we shall be asked to consent to an adjournment for more than a day or two, but I would point out that this is by no means the first time that the supporters of the Government have been put to inconvenience. As one of those who suffer through having to remain away from home for a considerable time, I feel very strongly with regard to this matter. I am anxious that the business of the country should be transacted as quickly as possible, so that we may return to our homes and enjoy some little comfort, and make ourselves acquainted with the requirements of our own electorates. Already we are being spoken of as Victorians instead of as Queenslanders.

Mr. KINGSTON. — We are Australians —all.

Mr. WILKINSON.—In this Chamber we do not represent Australia as a whole, but we require to legislate with a view to meet the requirements of our respective constituencies, and it is necessary that we shall keep ourselves in touch with those whom we specially represent. I admit that an immense volume of business has been transacted, but that affords the greater reason for showing as much consideration as possible to honorable members by bringing the session to an early close. Had honorable members representing Queensland known of the proposed adjournment, they might have proceeded to their homes before now, and have enjoyed the benefit of the full vacation. Believing, however, that they would be required to remain in Melbourne, they have made arrangements which will have to be broken through if they desire to take advantage of the adjournment in order to visit their electorates. I arranged to proceed to Adelaide with some of my constituents to attend the rifle matches, and I have engagements for this week and next week which were made on the assumption that the House would be sitting. All these arrangements will now have to be set aside unless we are to forego the opportunity of visiting our homes. We should not waste time if we were to proceed with some of the business now on the notice-paper.

which will be considered by the Cabinet during the coming week, when we shall decide whether it is necessary to ask for a loan at all. Should it be determined that no loan is necessary, a very critical position will be created financially, and it will need all the Treasurer's skill and knowledge to enable him to frame Estimates which this House will be prepared to accept. The one important measure with which I had hoped we should be able to deal this week was the Electoral Bill. The Minister for Home Affairs, however, informs me that the Senate has altered that Bill by omitting many provisions that were inserted in this House, and replacing those which it originally contained. In some instances amendments have been made to meet the views of this House, and in still others new amendments have been introduced. In any case he says that the Bill has been so recast that he will require time to reconsider it from the first clause to the last before he is in a position to bring down his proposals. That was the one measure with which I had hoped we should deal with this week. If the amendments had not been of such a vital character it would have been possible to consider it next week, although I believe that those who are most concerned in the matter desire that it should be dealt with in a full House. In another place the Government have adhered to the amendments which were made in that Bill by this House. The Senate, however, entertained a strong objection to some of the most cardinal changes made during its passage through this House, so that the measure practically requires remodelling. To accomplish that satisfactorily will occupy the Minister for Home Affairs all this week. A statement has been made in regard to the delay which has occurred in the delivery of the Budget. To my knowledge, ever since the 30th June the Treasurer has been indefatigable in his endeavours to obtain his Estimates from every part of the Commonwealth.

Mr. WATSON.—He is not severe enough upon his officers.

Mr. DEAKIN.—Honorable members should recollect that the Treasurer's officers are not in any way to blame for the delay. The Treasurer's Budget depends, not upon his own officers, but upon those of every department of the Commonwealth, and upon officers in a certain number of State departments who are at present doing duty

for the Commonwealth. On behalf of my colleague I have already forwarded several circulars to the Premiers of different States and to others asking for particulars which he requires in order to make his Budget statement. Large masses of figures have been received, but in some cases they have had to be returned, because they showed alterations upon last year's Estimates, which demanded explanation. I think that the Treasurer now has in his possession all the information that he requires.

Sir GEORGE TURNER.—I obtained the last information yesterday.

Mr. DEAKIN.—When the Treasurer has obtained all his Estimates, he then has to prepare his Budget. He has to cut down the Estimates in those directions which appear to him legitimate. If a difference arises between himself and any other Minister regarding the Estimates of a department, the Cabinet has to decide the matter. The Treasurer informs me that the very earliest date upon which he can be ready to deliver his financial statement—he expresses some doubt as to whether he will be ready then, but, knowing his great capacity for work, I have every confidence that he will—is the 23rd instant. The Electoral Bill cannot be considered before that date. It is quite possible that we might be able to consider it at the end of next week, but that would mean keeping honorable members here for a week in order to do a couple of days' work. Moreover, when the Budget speech has been delivered, Opposition members will probably desire an adjournment of that debate for a day or two. Last year an arrangement was made for the publication of a special number of *Hansard*, so that honorable members might have an opportunity of criticising the details of the Budget.

Sir GEORGE TURNER.—I have arranged for that this year.

Mr. DEAKIN.—Having regard to the operation of the Customs Tariff Bill, and to the fact that since the 8th October last uniform duties have been collected, the financial statement for this year will necessarily be of a more precise and complete nature than the statement of a year ago. The Treasurer can now present a Budget upon definite lines, which were not then available, and the forthcoming statement will be one of the most important to which this House is ever likely to listen. My colleague

Mr. R. EDWARDS.—If we do not adjourn as proposed we shall have to suspend our sittings for a week later on. As soon as I heard that there was a possibility of the House adjourning over next week I altered my plans so as to permit of my carrying out some important private business. Therefore, I desire that the adjournment should take place as arranged.

Mr. DEAKIN (Ballarat—Attorney-General), *in reply*.—A good deal of misapprehension appears to exist in regard to this proposal. In the first place, I would remind honorable members that in moving the adjournment of the House on Thursday last, I pointed out that it was hardly possible for us to receive any further measures from another place before Wednesday next—that is to-day. I said—

I hope that honorable members who have private motions on the paper will be ready to proceed with them, should time permit, during the remainder of next week.

That is this week. Surely that was a fair notice that all we could undertake to do this week was to receive a Message from the Senate, and then proceed with the consideration of private members' business. We have done that to-day. The reason why a more definite statement concerning this adjournment could not be made last week was that, whatever our private opinions might have been—and they differed—we could not possibly know what action would be taken by the Senate in regard to the measure which has been disposed of by the Message received this afternoon. It was quite possible—and, indeed, in conversation with me, some honorable members urged that it was probable—that the result of the consideration of the Customs Tariff Bill in another place would be a further Message to this House. That would have been a very serious matter, and few honorable members would care to have been absent upon such an occasion. There was no certainty, I repeat, that such a step would not be taken. Consequently, we dare not adjourn for this week, or propose anything which might have involved a further delay in the final settlement of the Tariff. Had I known as much last Thursday as I do now, I could only have added that the Customs Tariff Bill would be passed, and that this week there would have been no need to deal with anything save private members' business. To-day private members'

motions were called on, and the Government are prepared to proceed with their consideration just so long as honorable members care to discuss them. But when honorable members learned that the Customs Tariff Bill had been settled, I was asked by the leader of the Opposition and the honorable member for Macquarie what business it was proposed to proceed with this week. When I informed them that only private members' motions would be considered, they at once made up their minds that it was unnecessary for them to remain. The Government entered into no arrangement of any kind.

Mr. WILKINSON.—The House was empty because honorable members understood that this adjournment would take place.

Mr. DEAKIN.—The understanding was that it would take place only after private members' business had been disposed of. If the House is prepared to proceed with that business, the Government are perfectly willing to fulfil their obligations.

Mr. McDONALD.—Why should we adjourn until the 23rd instant?

Mr. DEAKIN.—Honorable members must see that they are somewhat unjust when they declare that the Government did not give them fair notice of their intentions. Until the House met to-day, I did not know that we should not require to deal with the Customs Tariff Bill and that private business would not fill the remainder of the week. I have been asked why it is proposed to adjourn until the 23rd instant. In speaking the other night, I referred to two minor Bills which the Government might possibly introduce during the present session. The Cabinet has since taken those matters into consideration, and has decided that, under the circumstances, it would be premature to ask the House to consider them. One of those Bills had reference to an amendment of the Public Service Act, and the second to the amendment of another measure. The fate of the other Government measures which remain on the business paper will all depend upon the nature of the Budget. The honorable member for Kennedy has asked whether we could not deal with the Loan Bill and thus advance the Budget. Since the last discussion of that Bill, the Treasurer has been recasting his Estimates, dividing them into loan expenditure and expenditure from revenue. He is now preparing proposals

be considered by the Cabinet coming week, when we shall see whether it is necessary to ask for a Bill. Should it be determined that it is necessary, a very critical position will be taken financially, and it will need the Treasurer's skill and knowledge to frame Estimates which this House will be prepared to accept. The one measure with which I had hoped to be able to deal this week was the Bill. The Minister for Home Affairs, however, informs me that the Senate will pass that Bill by omitting many provisions which were inserted in this House, leaving those which it originally intended. In some instances amendments have been made to meet the views of this House, and in still others new amendments have been introduced. In any case he informs me that the Bill has been so recast that it will require time to reconsider it before it comes to the last before he is able to bring down his proposals. The one measure with which I had hoped to deal with this week. If amendments had not been of such a vital nature, it would have been possible to deal with it next week, although I believe that those who are most concerned in the matter are of the opinion that it should be dealt with this week. In another place the Government have adhered to the amendments which were in that Bill by this House. The Minister, however, entertained a strong objection to the most cardinal changes in the Bill, and its passage through this House, which measure practically requires re-consideration. To accomplish that satisfactory result will occupy the Minister for Home Affairs all this week. A statement has been made in regard to the delay which has occurred in the delivery of the Budget. To my knowledge, ever since the 10th June the Treasurer has been busy in his endeavours to obtain information from every part of the Commonwealth.

Mr. DEAKIN.—He is not severe enough on his officers.

Mr. DEAKIN.—Honorable members will not expect that the Treasurer's officers are in any way to blame for the delay. The Treasurer's Budget depends, not upon the officers, but upon those of every department of the Commonwealth, and upon a certain number of State departments who are at present doing duty

for the Commonwealth. On behalf of my colleague I have already forwarded several circulars to the Premiers of different States and to others asking for particulars which he requires in order to make his Budget statement. Large masses of figures have been received, but in some cases they have had to be returned, because they showed alterations upon last year's Estimates, which demanded explanation. I think that the Treasurer now has in his possession all the information that he requires.

Sir GEORGE TURNER.—I obtained the last information yesterday.

Mr. DEAKIN.—When the Treasurer has obtained all his Estimates, he then has to prepare his Budget. He has to cut down the Estimates in those directions which appear to him legitimate. If a difference arises between himself and any other Minister regarding the Estimates of a department, the Cabinet has to decide the matter. The Treasurer informs me that the very earliest date upon which he can be ready to deliver his financial statement—he expresses some doubt as to whether he will be ready then, but, knowing his great capacity for work, I have every confidence that he will—is the 23rd instant. The Electoral Bill cannot be considered before that date. It is quite possible that we might be able to consider it at the end of next week, but that would mean keeping honorable members here for a week in order to do a couple of days' work. Moreover, when the Budget speech has been delivered, Opposition members will probably desire an adjournment of that debate for a day or two. Last year an arrangement was made for the publication of a special number of *Hansard*, so that honorable members might have an opportunity of criticising the details of the Budget.

Sir GEORGE TURNER.—I have arranged for that this year.

Mr. DEAKIN.—Having regard to the operation of the Customs Tariff Bill, and to the fact that since the 8th October last uniform duties have been collected, the financial statement for this year will necessarily be of a more precise and complete nature than the statement of a year ago. The Treasurer can now present a Budget upon definite lines, which were not then available, and the forthcoming statement will be one of the most important to which this House is ever likely to listen. My colleague

has at last obtained, even from the most remote parts of Australia, all the information that he requires. Of course, there is a great deal to be said in mitigation of the delay which has occurred, because every little expenditure proposed—say, in connexion with a post-office in the remotest portion of Queensland—has had to be sifted and checked. If honorable members take into account that, in preparing his statement, the Estimates of the six States have to be blended and criticised, they will realize the nature of the task which the Treasurer has to undertake. I felt the reproaches of honorable members to-night, because in some respects they seem legitimate. But until they look at this matter from our stand-point—

Mr. WILKINSON.—The Government will not permit us to look at it in that light.

Mr. DEAKIN.—The honorable member has never asked me for information, and been refused.

Mr. WILKINSON.—But the Government never hold a caucus meeting of their supporters.

Mr. DEAKIN.—In many parliaments the holding of caucuses is a practice which is more honoured in the breach than in the observance, and I do not know that the matter with which we are now dealing could have been better dealt with by any caucus. The Government are perfectly willing to proceed with private members' motions, and to sit the whole week if necessary.

Mr. WATSON.—Private motions are not so important as is Government business.

Mr. DEAKIN.—Nothing else with which we can deal will shorten the session by a single day.

Mr. McDONALD.—The proposed adjournment will prevent some of us from getting to our constituencies for a couple of months.

Mr. PAGE.—Postpone the Budget for a couple of months.

Mr. WATSON.—That is a good idea. Let some of the members from a distance get home.

Mr. DEAKIN.—Unfortunately we must have the Budget statement, and pass a Supply Bill. I should never be one to counsel honorable members to fail in their attendance in Parliament, but think that

if any honorable members wish now to absent themselves, they will be excused by their constituents and by this House.

Mr. McDONALD.—I should not do so. A number of honorable members absent themselves, but I do not think it is right. It ought to be public business first, and private business afterwards.

Mr. DEAKIN.—I quite agree with the honorable member, but the circumstances are so exceptional that if honorable members did absent themselves one could not reproach them. Do honorable members suppose that Ministers desire to prolong this session a single day or a single hour?

Mr. PAGE.—It seems like it.

Mr. DEAKIN.—It may seem like it to those who look at the matter from the outside, but those who know the situation as well as Ministers do, will never suspect us of any desire to prolong the session. All honorable members are exhausted—we have almost reached the limit of our powers; and that is why we are endeavouring to have short adjournments. It is true that all honorable members cannot take advantage of them, but some are able to do so; and the position of members from a great distance has from the commencement been most unfortunate for them.

Mr. McDONALD.—They have had to sacrifice their own personal business in a way in which other honorable members have not been called upon to do.

Mr. DEAKIN.—Honorable members who, like myself, are fortunate enough to reside in Melbourne, and to be near their constituents, have always freely admitted that there is no comparison between the sacrifices made by them, and the sacrifices made by members from a distance.

Mr. MAHON.—“Fine words butter no parsnips.”

Mr. DEAKIN.—That is true; but my words are sincere—I think no one will doubt their sincerity—and are an intimation that the sacrifices are not unnoticed or unappreciated. When honorable members look at the matter fairly, they will see that the proposal for an adjournment arises out of the extraordinary condition of affairs in which we find ourselves; at the end of the session we are endeavouring to make the task as light as possible. We should make the task heavy enough, if by doing so we could expedite the close of the session—that is, we should propose to sit late and often, as we shall propose to do after the

launched. We think it better to seek a recess now, and then ask members to sit every available day, make the utmost effort to deal with the work which is presented in the Estimates.

DONALD.—Can the Acting Prime Minister give us any idea of the length of the recess? I hope we are not going to have a meeting of Parliament until May next year, and then go on right up to the elections.

DEAKIN.—That is a matter entirely for the House. As a Government we have not yet considered the question, the uncertainty which prevailed before the Tariff had been dealt with. It is now as though the session would close next month, and Ministers will give their views before the House in regard to the Estimates before we separate. When we meet again on the 23rd, the Government will be obliged to fall in with any proposal made by the hon. member and later. The time has now passed when our administrative work could be put aside, and everything sacrificed to bring the session to an end. If members will help us when we meet on the 23rd the Government will ask them to consent to no adjournment, but will adjourn as often as may be desired in the disposal of the remaining business as possible.

The House resolved in the affirmative.

ADJOURNMENT.

CAPITAL SITES.—MAJOR-GENERAL HUTTON'S REPORT.

DEAKIN (Ballarat — Attorney-General).—I have made no empty offer, there is still a desire to proceed with the members' business, I am prepared to move on. If not, I move—
The House do now adjourn.

DONALD (Canobolas).—The Acting Prime Minister has made some announcement of the business with which he intends to bring the House of Parliament to deal when we meet again. He has omitted to say anything about the intentions of the Government in regard to the federal capital sites. I understand, however, that the honorable gentleman is prepared to make a statement, and so, I need say nothing further. I hope the matter will not be delayed any longer than is absolutely necessary. If the Government propose to

submit the question to a board of experts, that submission should be made as speedily as possible. It will take some time for the board to deal with the question, and it is desirable that they should have ample opportunity for making inquiries and furnishing their report when the House meets again next session.

Mr. PAGE (Maranoa).—Some few weeks ago the Minister for Home Affairs, as representing the Minister for Defence, promised to submit to us the report of Major-General Hutton on the distribution of the Commonwealth Defence forces. If that report could be supplied to honorable members immediately, it would enable them to consider it during the adjournment. I particularly desire to know what is intended in regard to the disposal of rifle clubs. I saw it announced in the Sydney newspapers that there are to be three different grades of riflemen, but I know that in Queensland the majority of the members of rifle clubs object to be made a portion of the military forces. I desire to have the report in order to learn the intentions of the Government in this matter, so that I may be prepared to deal with the point when the Estimates are before us.

Mr. DEAKIN.—The report of Major-General Hutton has not yet come under my observation, nor that of my colleagues; but I shall make inquiries, and hope it will be made available before the discussion of this particular matter.

Mr. PAGE.—Could we not have a look at the report now?

Mr. DEAKIN.—I will ask my colleagues to lay the report on the table at once.

Mr. PAGE.—But that will be a fortnight hence.

Mr. DEAKIN.—The report can be circulated informally in the meantime. The Minister for Home Affairs failed to "catch the Speaker's eye" on the first motion on the paper, which had reference to the choice of the federal capital site. His intention was to have announced that he had selected the sites he intends to propose shall be examined by experts. It will be for honorable members, if they consider any other site has a claim, to make a suggestion.

Mr. WILKS.—Has the Acting Prime Minister a list of the sites?

Mr. DEAKIN.—Yes; the sites which the Minister for Home Affairs proposes to submit to the board of experts are Albury,

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Bombala, Lake George, Orange, and Tumut. There was a sixth site, about which the honorable gentleman was somewhat uncertain, but these five he proposed, and the proposal was indorsed by the Cabinet.

Mr. FOWLER.—Does the term "Bombala" include not only Bombala proper, but Dalgety?

Mr. DEAKIN.—I should say that Dalgety and all other proposed sites in Bombala are included.

Mr. PAGE.—Ballarat might as well be included as Albury.

Mr. DEAKIN.—If Ballarat were included there would be no chance for any other site; but as the federal territory has to be in New South Wales, we in Victoria are not prepared to part with the city of Ballarat, even to have it made the federal capital.

Question resolved in the affirmative.

House adjourned at 8.15 p.m.

House of Representatives.

Tuesday, 23 September, 1902.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

CUSTOMS TARIFF BILL.

Royal Assent reported.

ESTIMATES OF EXPENDITURE.

Mr. SPEAKER reported the receipt of messages from His Excellency the Acting Governor-General, transmitting Estimates of revenue and expenditure for the year ending 30th June, 1903, and arrears for the year ended 30th June, 1902, and Estimates of expenditure for additions, new works, and buildings for the year ending 30th June, 1903, and recommending appropriation accordingly.

AUSTRALIAN NAVAL DEFENCE.

Sir LANGDON BONYTHON.—Since our last meeting statements have been published as to a proposed increase of subsidy on the part of Australia towards the auxiliary naval squadron. I should like to ask the Acting Prime Minister if he is able to communicate anything to the House on the subject.

Mr. DEAKIN.—Information has been received that a proposal for an increase of

the naval subsidy was submitted to the conference of Prime Ministers and Premiers which recently met in London, but the exact particulars have not yet been communicated to us. The statement which has appeared in our newspapers, to the effect that the proposal is that the present contributions of Australia and New Zealand shall be about doubled, is generally correct. There appears to have been, however, a contingent proposal that either the whole of the increase, or a large part of it, shall not be paid as a direct subsidy, but shall be applied by Australia for the purposes of its own naval defence in connexion with the Imperial navy. At present the details of neither proposal have reached us.

Mr. HIGGINS.—Is the statement of the agreement which has appeared in the newspapers substantially correct?

Mr. DEAKIN.—The proposed agreement will have no validity until it is ratified by this Parliament and by the Parliament of New Zealand. Several statements have appeared in the press as to the proceedings of the Imperial conference, some of which were incorrect; but those which have appeared within the last few days are, so far as I have been informed, substantially correct.

IMPERIAL CONFERENCE.

Mr. REID.—Are the Government willing to lay upon the table any reports which they may have in reference to the proceedings of the conference which was recently held in London, and at which the Commonwealth was represented? I understand that a good deal of information on the subject has been conveyed to the press, and I hope that honorable members will be given some authentic knowledge in regard to it as soon as possible.

Mr. DEAKIN.—The Government are not yet in possession of the report of the proceedings of the conference. Information has been received by Ministers directly from the Prime Minister in regard to the proposals submitted, and suggestions have been exchanged between them and him, but no official report of the proceedings of the conference, other than that which has been communicated to the press by or upon the authority of the Imperial Government, has yet reached us.

Mr. REID.—I should like to know whether, if any decision has been arrived at by the Imperial conference affecting the relations of the Commonwealth with the

rest of the Empire, the acting Prime Minister will consider the propriety of making a statement some time during the week as to its nature?

Mr. DEAKIN.—As the right honorable gentleman has requested it, I will again examine the papers we have, to see if a statement of any interest could be made; but the greater number of the communications between the Prime Minister and the Government relate to proposals which have been either abandoned or modified. The resolutions provisionally approved at the conference have been communicated to the press, and published as cablegrams.

Mr. REID.—But they have not been communicated to the House.

Mr. DEAKIN.—No; nor has the information been communicated to the press by us. The information which we have in the communications sent to us by the Prime Minister has been since duplicated by that published in the press, forwarded by correspondents in London.

Mr. REID.—We wish to have the information as members of this House as well as in our capacity as readers of the newspapers.

Mr. DEAKIN.—Exactly; but I have not the information from the Secretary of State officially. We have exchanged with the Prime Minister cablegrams of a consultative character, in which proposals are indicated, but no complete official information of the results arrived at has yet reached us, because a sufficient time has not yet elapsed since they were passed.

Mr. REID.—Then the Government do not know what has been done?

Mr. DEAKIN.—I knew before what has afterwards appeared in the press, and perhaps something more in the shape of detail.

PEARL-SHELLING INDUSTRY.

Mr. McDONALD.—The Premier of Queensland, in an interview published in this morning's newspapers, is reported to have said that—

The Federal Government proposed to differentiate between the treatment of the pearl-shelling industries of Queensland and those of Western Australia.

I wish to know from the Acting Prime Minister if there is any truth in that statement?

Mr. DEAKIN.—No difference has been proposed, or is being made, between the treatment of the pearl-shelling industry in Torres

Straits, at Port Darwin, and at Broome; the same policy is being pursued in each place. Misapprehension appears to have arisen from the fact that a deputation which waited upon me in regard to the industry dealt with the effect of the Immigration Restriction Act. In the course of some observations made to them I called attention to the fact that there was a material difference between the administration of that Act in respect to Thursday Island—which, although an island, is practically a part of the mainland—and in regard to Broome, which, although on the mainland, is for all practical purposes really an island, as it is completely separated from the white settlements of Western Australia. I then pointed out that the Immigration Restriction Act required to be enforced at Port Darwin and Thursday Island with more stringency than was necessary in the case of Broome, because, whilst successful attempts had been made to evade the Act at the first two places, all efforts of a similar kind at Broome had failed. The other matter referred to was the fact that the owners of the pearl-shelling fleets at Thursday Island had secured a full supply of labour for the present season prior to the passing of the Immigration Restriction Act, whereas those engaged in the pearl-shelling industry at Broome had not been able to do so. Whether this was due to the monsoons or not I do not know, but it was necessary to consider applications from Broome for permission to engage men for the present season to replace those whose terms of employment had expired.

TRAVELLING FACILITIES FOR MEMBERS.

Mr. KIRWAN.—In view of the fact that few honorable members of this House or of the Senate have visited Western Australia, and that many honorable members desire to secure further information regarding the conditions obtaining in that State, I wish to know whether the Minister for Home Affairs will be prepared to grant them free passes by the steamers trading between Adelaide and Fremantle? I may mention that the Premier of Western Australia and other members of the State Ministry are only too anxious to accord the fullest possible facilities to any honorable members who may visit Western Australia, and that a hearty reception will be extended to them.

UNIVERSITY MICROFILMS

Sir WILLIAM LYNE.—At present I am not in a position to make a definite reply. An item is included in the Estimates in connexion with which this question can be discussed. I think that every facility should be offered to honorable members of both Houses, not only to visit Western Australia and other States, but also to take their wives with them, because it would be extremely advantageous for honorable members to obtain the fullest information possible regarding the conditions of all the States. I intend to make a statement when the proper time arrives, and, if the House is in accord with me, I shall ask my colleagues to approve of my proposals, and give an opportunity to honorable members to see the country for which they have to make laws.

SOUTH AUSTRALIAN DRILL INSTRUCTORS.

Sir LANGDON BONYTHON.—I desire to ask the Acting Minister for Defence whether he is now in a position to give us particulars as to the manner in which the ten drill instructors recently sent to South Australia will occupy their time?

Sir WILLIAM LYNE.—I have not full information on the subject, because I have not yet been furnished with all the particulars for which I asked, in the last minute I wrote to the General Officer Commanding. I understand that it is proposed that one drill instructor shall be stationed at Adelaide to instruct the Mounted Rifles, including the members of rifle clubs, and that three instructors shall be employed in drilling the infantry forces and members of rifle clubs in Adelaide. One instructor will be stationed at Yankalilla to drill the Mounted Rifles, and two at Mount Gambier to drill the Mounted Rifles and infantry, including the members of rifle clubs. At Wallaroo there will be one instructor for the Mounted Rifles, and two for the infantry. At Jamestown one instructor will be provided for the Mounted Rifles, and at Gladstone one for the infantry. In addition to this information, I have been furnished with a report which gives particulars as to the number of places—some thirteen or fourteen in all—in the Adelaide district at which in all 731 men will receive instruction. At Yankalilla and other places in its neighbourhood 209 men will require to be drilled, and at Mount Gambier 286. The Mounted Rifles

and infantry in the west central sub-district numbering 266, and in the east central sub-district numbering 794 men, will be drilled by the instructors at Wallaroo. The instructors at Jamestown and Gladstone will drill 346 men in the north central sub-district, and 628 in the northern sub-district. I have also a memorandum written by the General Officer Commanding in reference to this question, but I should like the honorable member to read it for himself, because I cannot.

Sir LANGDON BONYTHON.—I should like to know whether the information which the Minister has communicated to us really means that each of these drill instructors will be engaged for only two hours per week?

Sir WILLIAM LYNE.—I have given the honorable member all the information I can. The General Officer Commanding told me that he could not give any further details at present, because arrangements for allotting the hours of duty for the drill instructors have not yet been completed. I know that the officers are endeavouring to obtain full information, and I cannot ask them to do impossibilities. As I am not a military officer, I cannot say whether or not the duties of the drill instructors will occupy them for two hours only per week.

Sir LANGDON BONYTHON.—Did not the Minister ask for that information?

Sir WILLIAM LYNE.—Yes; and the General Officer Commanding has given me all the particulars which he is in a position to communicate at the present time. I have already explained the reason why full details cannot be supplied just now.

Sir LANGDON BONYTHON.—The reason why the information has not been supplied is obvious.

Mr. BATCHELOR.—I desire to ask whether the Minister is satisfied with the Military Commandant's palpable evasion of the questions which have been put to him?

Sir WILLIAM LYNE.—I scarcely think that that question is a fair one. I do not believe there has been any palpable evasion on the part of the General Officer Commanding, who has supplied me with all the information that can be obtained at the present time.

Mr. BATCHELOR.—The information sought could be obtained in half-an-hour.

Sir WILLIAM LYNE.—If the honorable member will look through the paper, which I have in my hand, he will ascertain

absolutely impossible to secure particulars just now.

MR. BONYTHON.—We possess the at the present time.

SIR WILLIAM LYNE.—Then why honorable member ask me for it?

MR. BONYTHON.—Because we in it from the Minister.

MR. CHURCH.—Because it is the duty to inform the House upon

SIR WILLIAM LYNE.—There is one which I omitted to reply just now.

reference to the days upon which the Australian drill instructors are employed.

Information is that at Adelaide are engaged six days weekly, at six days, at Wallaroo four days, at five days, and at Gladstone

MR. BONYTHON.—How many places at Gladstone in a week?

SIR WILLIAM LYNE.—Honorable member representing South Australia seem particularly sensitive on this matter.

made to me are to the effect with the additional drill instructors have been despatched to South

the standard of instruction there say below that in Victoria and

Wales, according to the population honorable members to understand personally, I have no feeling

on this matter, and to impress upon the General Officer Commanding

and me with all the information available until a short time

the number of men stationed at various localities with which the

instructors have to deal has been more determined.

MR. GROOM.—Is it true that honorable members on the other side of the

especially object to the item of money spent in South Australia on

forces, are the same who voted for the customs taxation from

to £10,000,000?

ACTIONS AGAINST COMMONWEALTH GOVERNMENT.

MR. GROOM.—I desire to ask the Minister whether, in view of

a recently given in New South Wales, Mr. Justice Pring in the case of

the *Postmaster-General*, it is his intention the establishment of the

to invest the States Supreme

Courts with jurisdiction in actions brought against the Commonwealth Government?

MR. DEAKIN.—Without accepting that judgment, it has been thought advisable to

bring in a temporary measure—in connexion with which a Message has been read

to-day—making provision for a limited time in all the States for the trial of actions

against the Commonwealth.

POSSESSION OF DAWES POINT.

MR. G. B. EDWARDS.—I desire to ask the Acting Minister for Defence whether

he can inform the House of the present position of the dispute between the Commonwealth Government and the Government of New South Wales regarding the

possession of Dawes Point?

MR. REID.—Also the details of the Minister's surrender to "the battle-axe."

SIR WILLIAM LYNE.—I am not aware that any surrender has been made, and I

do not think there was any occasion for any pronouncement as to a dispute. The

position simply is that Dawes Point is a reserve which, to my knowledge,

has been continuously occupied by the military for the past 23 years. Upon

it are located a drill-shed and a number of other buildings which are occupied by

the military, and there is also a battery. At the present time the buildings are occupied

by the Commandant and some of his officers, and are therefore in the hands of the Federal

Government. The State Government, however, disputes our claim that Dawes Point

was automatically transferred to the Commonwealth under section 85 of the Constitution

Act, in the same way as were other lands and buildings. No flaming declaration

of war has been made, either by one side or the other; certainly there has been no

such declaration on our part. Some little time ago the matter was referred to me by the

Prime Minister, and thereupon I wrote a minute to the effect that I did not think

Dawes Point was a spot which the Federal Government would care to retain, seeing

that we should be obliged to pay a high price for it, but that what we really required

was a water frontage, and if possible a wharf, so that we could land or discharge

stores or troops. If the Government of New South Wales will recommend any site

possessing a water frontage which is suitable for that purpose, the Federal Government

will be prepared to accept it in lieu of the more expensive site of Dawes Point. That

proposal was placed before the Premier of New South Wales, who, however, declined to entertain it, because he holds that the Commonwealth Government have no right whatever to Dawes Point. That is how the matter stands at the present time. I may further add that he has given the Commonwealth Government two months to vacate it.

Mr. G. B. EDWARDS.—Has the opinion of the Attorney-General been taken upon the subject?

Sir WILLIAM LYNE.—No doubt opinions will be submitted. I may also mention, in connexion with the transfer of a reserve in Hobart, which is one of the choicest spots in that city—I refer to the old barrack square—the Minister for Lands visited Melbourne for the special purpose of interviewing me and, I think, the Acting Prime Minister. He submitted a proposal that the Commonwealth Government should abandon that reserve, as the State authorities desired it for a city park, and accept in lieu thereof a site near the Domain with a water frontage. We agreed to that proposal, and accepted the less valuable site. That is precisely what I suggest should be done in connexion with Dawes Point, which would be an expensive place to purchase. It is a beautiful spot, and, in my opinion, should be added to that portion of Sydney which is now being improved. There need be no trouble whatever if the State Government will only be reasonable, and accept our suggestion in this regard.

Mr. THOMSON.—I desire to ask whether the Acting Minister for Defence is determined to avoid the necessity for taking over the enormously expensive city water frontage of Dawes Point, and whether, considering the enormous area of land which is dedicated to military purposes in the neighbourhood of Sydney, it is necessary to obtain any substitute in the way of a city water frontage?

Sir WILLIAM LYNE.—I am sure it is not the desire of the Government to take any expensive water frontage—in this case 7 or 8 acres of what is practically park land—which could be better utilized in beautifying that particular part of Sydney. As to taking the whole of the other lands which have been occupied by the military authorities, it is quite impossible to say at the present time whether they will be all required. For instance,

there are the Victoria Barracks, and some water frontages, notably from Athol Bay to Middle Head, and in Middle Harbor. I think, however, it is necessary to retain these lands, not because they are required immediately, but because they were reserved many years ago by, I think, Sir James Martin, for defence purposes, in case of an attack by a fleet. At the present time, however, there is no particular spot held by the military authorities close to Sydney, where the Defence department can obtain a deep water frontage or wharfage suitable for embarking or disembarking troops, or for the landing of naval or military stores. Such a frontage is what I desire, and what I have been trying to get from the State Government, not with the idea that they should give it to the Commonwealth, but that we should be able to buy it for less than we should pay for the Dawes Point land. If there were a spot close by which we could turn to account, we could very easily give up Dawes Point, but there is no such spot either at Circular Quay, Darling Harbor, or Wolloomooloo Bay, at one of which places there ought to be a water frontage, which the Defence department may use as desired. It does not follow that there would be an exclusive right on the part of the Federal Government to the use of this frontage or wharfage; they might lease it to a company, reserving only the power to utilize it at certain times. I have, I think, suggested a practical settlement of the question.

FEDERAL CAPITAL SITES.

Mr. JOSEPH COOK.—I should like to ask the Minister for Home Affairs a question in reference to the proposed sites for the federal capital. Two or three weeks ago the honorable gentleman told the House that he would submit the question of the selection of the committee of experts to the next Cabinet meeting. Has he yet done so, and is he in a position to make any communication to the House on the subject?

Sir WILLIAM LYNE.—I have in my hand a motion of which I had intended to give notice to-day, though I question very much whether it would be wise to deal with the matter in that way. This motion does not deal with the names of the experts, but with the names of the sites. I did promise that I would submit a motion on the question for discussion by the House, but in conversation with my

o-day, it was pointed out that could be dealt with just as well mates. I do not object to submit as to the sites, but I am not yet to give the names of the to be appointed. The motion which I have referred reads as

to obtain necessary information from the Parliament of the Commonwealth a site for the seat of Government, that a committee of experts be appointed to examine and report upon sites in the localities:—Albury, Bombala, Lake George, Tumut, in relation to accessibility, materials, climate, drainage, conditions and soil, water supply, with local suitability, and such other salient points as may be approved by the Hon. the Minister for Home Affairs.

any strong desire in the House that motion, I am quite prepared

EPH COOK.—May I ask the whether he intends to submit the to experts prior to the House prior to treatment; or, if not, does he intend the House, before we separate, names of those appointed.

LIAM LYNE.—I think the should take the responsibility appointments in a matter of this have not the slightest objection to names to the House, but I reappointments as a matter of tion, for which the Government the responsibility.

AUSTRALIAN MILITARY REGULATION.

YNTON.—Some time ago I attention of the Acting Minister to a new regulation which issued in South Australia, and reduced the pay of certain men in I was then informed by the that no such regulation had been he promised to obtain a report er. I have since been informed number of people that such a has been issued, and that it the extent of 15s. or 25s. the of £5. I wish to know whether has received a report, and if he will obtain one in order to where lies the truth.

LIAM LYNE.—The honorable asked me a question, and my on the spur of the moment,

must be qualified by the consideration that I am speaking from memory. I have not the papers here, but I made inquiries after the honorable member asked me the question on a previous occasion, and, so far as I can ascertain, no regulation has been issued from the head office in reference to this matter. I did hear that there was some local regulation of which I have not a copy, but I shall, perhaps, know more of the matter to-morrow or the next day.

PAPERS.

MINISTERS laid upon the table the following papers:—

Additional Instructions to the Governor-General and Commander-in-Chief
New Sugar Regulation (No. 38).
Beer Excise Regulation, dated 11th September, 1902.

The CLERK laid upon the table the following papers:—

Defence Department, permanent officers, return.
Patents and trade marks applied for, return.

JUSTICE DASHWOOD'S REPORT.

Mr. MAHON asked the Acting Prime Minister, upon notice—

1. Was the evidence taken by Mr. Justice Dashwood, and incorporated in his report on the pearl-shelling industry, given on oath.
2. What is the total cost of Mr Justice Dashwood's investigations, exclusive of the charge for printing his report.
3. What is the total cost of Mr Warton's investigations on the same subject, exclusive of the charge for printing his report.

Mr. DEAKIN.—The answers to the honorable member's questions are as follow:—

1. No.
2. £166 16s.
3. £54 16s.

POSTAL DEPARTMENT: WAGES.

Mr. POYNTON.—I should like to ask the Treasurer what is the reason so many men in the Postal department, chiefly line repairers and letter sorters on the railways, did not receive money due to them until the 18th or 20th of this month. If there were such delay will the Treasurer see that it does not occur again?

Sir GEORGE TURNER.—Such payments are made by the department, and I know no reason why they should not all be made on the first day of the month.

Mr. BATCHELOR asked the Minister representing the Postmaster-General, *upon notice*—

Why the men in the construction branch of the Postal service of South Australia have not been paid the wages due over a fortnight ago.

Sir PHILIP FYSH.—The answer to the honorable member's question is as follows :—

The wages referred to were not due until September 5th. The reason of the delay was that construction work is paid for out of loan funds, and there was no money available on the date when the wages were due.

DELIVERY OF LETTERS.

Mr. FOWLER.—In asking the Minister representing the Postmaster-General the following questions, *upon notice*—

1. Whether a mile radius in connexion with the delivery of letters by the department does not necessarily mean a mile in a straight line from a given centre in any direction to the periphery?

2. Whether the Postmaster-General will inquire of his deputy in Western Australia how that official manages to construct such circles by taking for his measurements of the mile the various roads that diverge more or less indirectly from the given centre?

3. Whether the continuance in the postal service of such extraordinary mathematical capacity as the said official evinces is absolutely necessary to the efficiency of the service?

I desire to say that, within my own knowledge, residents in the suburbs of Perth have been refused postal facilities in regard to the delivery of letters, on the ground that their residences are more than a mile distant by road from the post-office, although they are well within a mile in a straight line from the office.

Sir PHILIP FYSH.—The answers to the honorable member's questions are as follow :—

1. Yes.

2. The Deputy Postmaster-General, Perth, has reported that he is not aware that any of his officers have attempted to take measurements in the manner stated.

3. The reply to this question is included in the answer to question No. 2.

STATE HOLIDAYS: POSTAL DEPARTMENT.

Mr. BATCHELOR asked the Minister representing the Postmaster-General, *upon notice*—

1. Whether the local or federal authorities were responsible for the mistake which occurred in the Post and Telegraph department in South Australia in connexion with the observance of the State holiday on 1st September?

2. Whether any steps have been taken to prevent any confusion arising in the future as to what men will be required to work on State holidays?

Sir PHILIP FYSH.—The answers to the honorable member's questions are as follow :—

1. The Postmaster-General is not aware that any mistake occurred in the Post and Telegraph department of South Australia in connexion with the observance of the State holiday on the 1st September. The Deputy Postmaster-General of South Australia telegraphed to the Postmaster-General's department as follows :—"Monday, the 1st September, Eight Hours Day, has been proclaimed a public holiday throughout South Australia. Kindly wire instructions if holiday arrangements are to be observed." He was informed in reply that the regulation was to be followed which provided for certain branches of the department being kept open for a part of the day for the convenience of the public, but did not preclude the Deputy Postmaster-General from exercising his discretion as to the officers not necessarily employed in those branches. Subsequently, in consequence of an application made on behalf of the Construction branch, late on the evening of the Saturday before Eight Hours Day the Postmaster-General instructed the Deputy Postmaster-General by telegram to grant a holiday to all men who could be spared without public inconvenience.

2. The question of taking such further steps, as also of making any necessary alterations in the regulations, is under consideration.

PAYMENTS TO POST-OFFICE OFFICIALS.

Mr. MAHON asked the Minister representing the Postmaster-General, *upon notice*—

Whether he is now in a position to supply the information as to payments to non-official postmasters and mail receivers asked for by question No. 2 of 21st August last?

Sir PHILIP FYSH.—The answers to the honorable member's questions are as follow :—

1. Payments to non-official postmasters and mail receivers are regulated by the business to be done and by the local conditions.

2. The maximum payment to non-official postmasters in Queensland is £100 in one instance, and the minimum is £12. In South Australia the maximum in one instance is £70, including a daily delivery by a letter carrier, and the minimum is £5. In Western Australia the maximum is £52 and the minimum £10.

COMMONWEALTH LEGISLATION: POWER OF DISALLOWANCE.

Mr. CROUCH asked the Acting Prime Minister, *upon notice*—

In reference to the *Commonwealth Gazette* notice of the 5th September, 1902, in which the following appears :—

His Excellency the Acting Governor-General directs it to be notified, for general information,

Right Honorable the Secretary for the Colonies has intimated that His Majesty will not be advised to exercise power of disallowance with respect to the following Acts of the Legislature of the Commonwealth of Australia, viz. :—

1901. Immigration Restriction

1902. Appropriation Bill.

1902.—Governor-General's Establishment Bill.

1902.—Federal Franchise Bill.

His Excellency's Command.

ALFRED DEAKIN.

September, 1902.

Advice referred to mean the advice of the Australian or English Ministry.

Intimation of the Secretary of the Colonies not infer that an English Minister has the right to advise the internal Australian affairs as an English Minister. Bill and Federal Franchise Bill, Government admit this right?

Assumption by the Secretary of the Colonies of the power to advise His Majesty in such matter an incursion on the rights of the Commonwealth?

Ministry consent to such action by His Majesty, or do they propose to make any objection therewith?

Ministry consider that the right of the Governor-General, under section 58 of the Constitution, to reserve a law for the King's assent, the English Ministry the right to reserve on Bills so reserved, even on referring to matters affecting internal

the assent to the action of Mr. Deakin without protest in this matter make the Colonial Secretary a consenting party to all legislation of the Colonies, whether of external or internal nature?

DEAKIN.—The answer to the honorable member's first question is that the advice referred to is the advice of the Australian Ministers in Great Britain. On other questions, I think he can draw his own conclusions. I might remind him of the words of Sir William Vernon Harcourt, that the whole question of the relations of the Imperial authorities to the colonies is one of great difficulty. It requires consummate statesmanship to reconcile the claims of Imperial supremacy with the worthy desire for colonial independence. As a matter of right, the mother country has the right, with the claim of ultimate sovereignty, for the Imperial Legislature did so, it would dissolve the colonies and convert the colonies into independent States.

BUDGET (1902-3).

In Committee of Supply:

Sir GEORGE TURNER (Balaclava—Treasurer).—Mr. Chairman,—Before asking honorable members to follow me through the figures which I have circulated—and I propose to request them to allow me to explain them as we go along, and not to get ahead of me—I desire to apologise, not alone to the Committee, but to the States Treasurers for the delay which has taken place in the presentation of the Federal Budget. There has been great difficulty in obtaining the necessary information from the various States. Those who have occupied the position of Treasurer of a State know that there is considerable difficulty in obtaining the information necessary for a State Budget, although it has to be collected only from within that State; but when one has to depend upon correspondence and telegrams with far-off States for the requisite information, the difficulties are largely increased. In addition to that drawback, under which I have laboured, there has been a desire—and a very proper desire—on the part of the departments to make the Estimates of the various States approach uniformity. In the past the Estimates of the several States have been prepared in totally different forms, but we thought it wise to make an attempt to secure uniformity, although we have not wholly succeeded in carrying out that desire. My honorable colleague, the Acting Minister for Defence, has also been engaged for a considerable time in mastering the details of the defence retrenchment scheme, and that has also occasioned delay. I hope, however, that in future the Federal Treasurer will be in a position to make his financial statement early in the month of August. If that arrangement is carried out it will be fair to the various States Treasurers, who have to depend to a great extent upon information which the Federal Treasurer alone can supply. There is some difficulty in preparing a financial statement for the Commonwealth, for we have to deal not only with federal matters but with questions relating to the States independently. Then, as honorable members know, there are no other Treasurers watching and waiting when a State Minister is making his financial statement, whereas the Federal Minister knows that all the States Treasurers are watching and waiting to scrutinize

everything contained in his statement. In the present case they have been anxiously waiting for some time. It is, therefore, necessary for me to give the fullest information in order that the States Treasurers and their officers may have an opportunity of checking my figures and ascertaining whether they are correct or not. I have prepared a mass of information, and although for my own sake I have epitomised the details to a very great extent, my speech would be a very long one, and would become tedious to honorable members if I were to give the Committee all the figures in my possession. Therefore, with the concurrence of honorable members, I propose to give not all the details, but in most cases merely the results. I shall submit the details to *Hansard*, and as the report will be published to-morrow morning, honorable members who desire to look carefully into the whole question will have the fullest opportunity to do so. By that arrangement honorable members, as well as the States Treasurers, will be able to obtain the fullest information, while I shall avoid the necessity of making my statement unduly long and tedious. I propose to deal as simply as I possibly can with the figures. I do not possess the eloquence of the Attorney-General, nor have I the graceful diction of Sir Philip Fysh, whose budgets are always poetic. I desire simply to state as fully as I can the somewhat difficult and complicated problems connected with federal finance. I desire honorable members in the first instance to consider that though we may appear to be dealing with large figures, we have been used in the past to deal only with State figures. Therefore, when we come to deal with federal figures, though the totals may appear to loom very large, when we bear in mind that we are dealing with the figures for six States instead of for one, it will be seen that, comparatively speaking, the figures are not large. There is another point which will be found to be of great importance all through the statement, and that is with regard to certain works and buildings. We last year proposed a certain expenditure amounting to £116,000, and this year we are proposing an expenditure of £180,000 out of revenue. That may appear to be a rather large amount, but as a matter of fact very little of last year's provision was expended, and we are really now providing for two and a-half years' requirements—eighteen months that

George Turner.

are passed, and the twelve months which we have just entered upon. If honorable members will compare the Estimates with the actual expenditure of last year, they will find that during last year we were able to make very large savings upon our Estimates, and in the Defence department alone to the extent of £100,000. Therefore the amount that will be shown as the difference between the estimated expenditure of this year and the actual expenditure of last year is necessarily much smaller than if we made the comparison between the Estimates of the two years. We also had to provide in 1901-2 for large arrears of the previous year amounting to £315,000. This year we have to provide for arrears to the extent of only £83,000. Honorable members will see that the amount for arrears is therefore very largely reduced, and I hope that in the next financial statement the Treasurer will be able to leave the question of arrears out of consideration altogether, as that will to some extent simplify any statement which he has to make. I have always felt very strongly that it is our duty to make every effort to give back to the States, as far as possible, the amount of money they were collecting from Customs and Excise revenue just before federation, plus the cost of carrying on the new expenditure. But unfortunately we have to provide for very large sums which have been forced upon us by action taken by the States very shortly prior to federation.

Mr. MAHON.—Principally by Victoria.

Mr. MCCAY.—Do not single out one. They have all been sinners in that respect.

Sir GEORGE TURNER.—When we are charged with extravagant expenditure, people are apt to forget the significant fact that the States dealt very liberally in many directions just before federation, apparently thinking that the Federal Government would have some fund of its own out of which the expenditure involved could be paid, and forgetting that whatever was paid would subsequently have to be paid back by the individual States. In some instances, volunteer corps were turned into partially paid forces. Rifle clubs were established right and left, and that meant enormous expenditure. In the State of Victoria the ammunition reserve was allowed almost to run out altogether. On the 1st May, when we took over the defence forces, there were only 500,000 rounds of ammunition in hand,

and the result was that last year I had to put £24,000 on the Estimates to secure a sufficient reserve of ammunition in Victoria. Then during the year troops have come back, and while in the previous year the expense they involved was saved, we have now had to provide for them. New services were started in some of the States involving payments to the railways. Increased postal facilities were afforded, and while in Victoria the penny post was brought into operation, the effect was to hit us both ways, because we lost revenue to the extent of between £40,000 and £50,000, and the expenditure was considerably increased. In New South Wales a new classification scheme in connexion with the public service involved a large increase of expenditure, and in Victoria we had the recommendations of a reclassification board to carry out, and that meant a very large increase to State servants, especially in the Postal department.

Mr. HIGGINS.—Was that carried?

Sir GEORGE TURNER. — It was dealt with as regards increases to public servants, though in some respects the recommendations of the board were not carried out. Then there is a large amount of expenditure involved in connexion with increments to which public servants are entitled by law, regulation, or custom prevailing in the States for a number of years. That has the effect of adding a very considerable sum every year, and it helps to swell the expenditure. Then in connexion with our Post-office, we must realize that expenditure very naturally increases every year if we are to give proper facilities and maintain a proper service. Looking through the Estimates carefully, I can assure this House and the people, that there is no extravagance in any of the transferred departments. We have tried our best to cut down the expenditure. Ministers have been careful, heads of departments have watched, and I believe the officers throughout have endeavoured to keep the services going at as small an expense as possible, giving at the same time proper efficiency. With regard to these Estimates I know of no items in connexion with which reductions can be made to any large extent. I have been through them all very carefully, and I have compared them with the previous expenditure. With regard to Customs, we have to endeavour to estimate what will be the receipts during the current

year. In order to do that I had prepared a return which showed the total amount collected in each State, month by month, on each item. That I propose to submit for the information of honorable members. I submitted it to the various collectors, and received from them estimates of what they considered would be received during the year, taking into consideration the special information they had. Many communications have passed between us, and in some cases I have come to the conclusion that the amounts that will be collected will be larger than the amounts which the collectors themselves have estimated. Acting upon these lines, it will be seen that I cannot be charged with any attempt to cut down the amount that is likely to be derived from Customs. Honorable members will naturally desire—it is their right, and I hope they will do so carefully—to check the items which will be supplied in regard to the anticipated Customs revenue, in order that we may gain the benefit of the information of those who have local knowledge, and who may be able to give us information which is not within my control. In doing so, I would ask the committee to consider a few points—first, with regard to loading up, which to some extent still continues. On the other hand, goods are now being more freely imported than some time ago, because they had not been sufficiently provided for up to the end of the financial year. Then, as we went along, we made reductions in rates, and a large number of items were made absolutely free. It will be seen that it would not do to take nine months' collections and estimate the return for the twelve months from them by adding a certain proportion, because we have changed the duties from time to time, and those changes make a serious difference in the amounts we are likely to collect. On the other hand, by omitting the exemption with regard to State duties, we shall receive a sum of about £245,000 extra.

Mr. REID.—Has the right honorable gentleman made any calculation as to the effect upon the revenue of these changes in the Tariff?

Sir GEORGE TURNER.—In making my calculations, where no changes have been made, I have worked from the nine months' receipts, taking into consideration the question of loading up, and, where changes have been made, I have worked on the receipts from the date of the changes. By that

means I think I have ascertained fairly the amount likely to be received. Then we must not forget the unfortunate drought which we have had over a great part of our continent, the high prices of the necessaries of life, and the fact that Governments and others are likely to expend less money. Under all these circumstances, it will not do for us to be too optimistic with regard to our estimates. But, at the same time, I quite admit that we should not cut them down to an unduly low figure. With regard to the item of sugar, I have estimated that the total consumption will be 170,000 tons. That is a very large amount to estimate. The average will be something between 160,000 and 170,000 tons. I estimate that out of that amount, 75,000 tons will be imported, and will pay duty at £6 per ton; 40,000 tons will be grown by white labour, and pay at £1 per ton; and 55,000 tons will be grown by black labour, and pay at £3 per ton. I have estimated the total receipts from that source at £675,500. That is certainly a large amount, and I have some little doubt in my own mind as to whether that sum will be fully realized. But, on the whole, I think I have made a fair estimate in the amounts I am about to submit to honorable members. I do not desire to go too far, because the States Treasurers, if we give them back less money than we promise them, will naturally blame us. In fact, some of them blame the Federal Government and the Federal Parliament for not having given them back already, not what the Federal Treasurer said he would give back to them, but what the States Treasurers themselves estimated that they would receive. As a matter of fact, however, the Federal Government has in all cases, except in that of Queensland, given back to the States Treasurers more than I estimated when I made my Budget statement on the 8th of October last year, so that they had a full opportunity for cutting down the expenditure when they knew that the amount they could expect to receive was less than their own estimates.

Mr. HUME COOK.—So that the Federal Government is not responsible for the deficits in the States.

Sir GEORGE TURNER.—Personally I should be very glad indeed if the Customs and Excise revenue which I expect to receive is exceeded, because if that is so it will give the States more money, which in some cases I am well aware they will require.

If honorable members will be good enough to follow me through the papers which I have circulated I will now explain them fully, but as briefly as I possibly can. Sheet No. 1 in these papers gives the monthly details of the revenue received from Customs and Excise during the years 1900-1 and 1901-2. It shows that in 1901-2, during which the uniform Tariff was introduced, we derived £8,692,750, as against £8,189,529, which was the amount received in the previous year; or an increase of £503,221. To that we have to add the receipts from the special Western Australian Tariff, which during the nine months brought us in £201,569.

Mr. MAHON.—I thought that the Federal Government had nothing to do with that.

Sir GEORGE TURNER.—But I take into consideration, in dealing with the uniform Tariff, the special Tariff of Western Australia, in order to draw attention to what the amount received, or likely to be received from that source, will be. However, I do not myself place very much reliance on the comparison between these figures which I have mentioned, because the loading up for the year 1900-1, made a considerable difference. I simply give the details because they are useful to honorable members in looking at the results, and in considering what has happened since the Federal Tariff was passed. But I prefer myself, as I have always done, to try to make a comparison with the year 1900, particulars as to which honorable members will find on page 2 of the papers which I have circulated. Looking first to New South Wales we find that that in 1900 the total amount received in that State was £1,785,781, and in 1901-2 £2,812,722, or an increase to that State of £1,026,941. I estimate a further increase for 1902-3 to the extent of £337,278, estimating the revenue for New South Wales at the sum of £3,150,000. In the State of Victoria in 1900 we collected £2,342,485; in 1901-2 we collected £2,376,483—an increase of £33,998. I estimate for this year that there will be a decrease of £76,483 as against last year, and I place the estimate for the State of Victoria at the sum of £2,300,000.

Mr. MAUGER.—Would that decrease be on account of the falling off in trade?

Sir GEORGE TURNER.—It will be due to various causes—the abolition of the tea duties, the lowering of customs rates,

and so on. In Queensland, as against a revenue in 1900 of £1,561,486, we received last year £1,297,664—a decrease, unfortunately, in that State of £263,822. I am forced to anticipate a further decrease for 1902-3 of £97,664. The revenue we anticipate to receive from Queensland for the year is £1,200,000. In South Australia, in 1900, we collected £639,004, and in 1901-2 £698,696—an increase of £59,692. I anticipate a decrease to the extent of £18,696, putting down the amount to be collected in 1902-3 at £680,000. In Western Australia, in 1900, the sum of £944,746 was collected, and in the following year, 1901-2, under the uniform Tariff, the amount was £1,134,044.

Mr. POYNTOX.—Does the right honorable gentleman include the Northern Territory in the South Australian estimate?

Sir GEORGE TURNER.—The Northern Territory is included. In Western Australia the collections show an increase of £189,298, and, adding £201,569 increase on the special Tariff, the total amounts to £390,867 more than in the previous year. We anticipate an increase in 1902-3 to the extent of £25,956 from the uniform Tariff, and £23,431 from the special Tariff—the special Tariff having been in force for only nine months in the previous year—and that gives a total increase of £49,387. The total uniform Tariff revenue anticipated is £1,160,000, and from the special Tariff £225,000, or a total revenue for that State of £1,385,000 from customs and excise.

Mr. MAHON.—A very heavy revenue.

Sir GEORGE TURNER.—Yes, an enormous revenue. I do not know how Western Australia can continue in that course for many years. However, there are the facts, and I believe that the amount I have stated will be received. Of course, in dealing with the finances of Western Australia, we have to take into consideration the fact that in a short time there will under the sliding scale be a reduction of 20 per cent. in the amount of the duties collected from Inter-State goods, and that means that there will be a reduction of importation of over-sea goods in many cases, and consequently a large reduction on the total amount collected.

Mr. WATSON.—Still, however, the Treasurer estimates an increase?

Sir GEORGE TURNER.—Yes, with the increased population I think there will be an increased revenue in Western Australia,

because we shall have the Tariff in operation for twelve months instead of nine. There is no doubt, however, that we may anticipate an increase in the Inter-State trade, and that to some extent will affect the over-sea imports. In the case of Tasmania, for the year 1900, the collection was £489,151. Unfortunately last year the receipts fell off to £373,141, a loss of £116,010 for that State with its comparatively small revenue. I am forced here again to anticipate a further decrease to the extent of £33,141, leaving the revenue anticipated to be received from Tasmania at £340,000. Taking the totals, in 1900 we collected £7,762,653. Last year we collected £8,692,750, an increase of £930,097; and, adding to that the receipts from the special Tariff of Western Australia, a total increase of £1,131,666. Honorable members will see that the increase anticipated to be received under the uniform Tariff for this year is £137,250, and from the special Tariff £23,431, a total of £160,681; so that altogether I anticipate this year to receive £8,830,000 from the uniform Tariff, and from the special Tariff of Western Australia £225,000—a total customs and excise of £9,055,000. The figures I have just given will be better understood from the following tabulated statement:—

REVENUE—CUSTOMS AND EXCISE, 1901-2,
COMPARED WITH 1900-1.

NEW SOUTH WALES.			
1900	...	...	£1,785,781
1901-2	...	...	2,812,722
Increase	...	...	£1,026,941
Further increase for 1902-3...			£337,278
			£3,150,000

VICTORIA.			
1900	...	...	£2,342,485
1901-2	...	...	2,376,483
Increase	...	...	£33,998
Decrease in 1902-3	...	...	£76,483
			£2,300,000

QUEENSLAND.			
1900	...	...	£1,561,486
1901-2	...	...	1,297,664
Decrease	...	...	£263,822
Decrease, 1902-3	...	...	£97,664
			£1,200,000

SOUTH AUSTRALIA.			
1900	...	...	£639,004
1901-2	...	...	698,696
Increase	...	...	£59,692
Decrease 1902-3	...	...	£18,696
			£680,000
WESTERN AUSTRALIA.			
1900	...	...	£944,746
1901-2 Uniform	...	...	1,134,044
Increase	...	...	£189,298
Special Tariff	...	...	201,569
Total Increase...	...	...	£390,867
1902-3 Increase—Uniform	...	...	£25,956
„ Special	...	...	23,431
			£49,387
Total Uniform	...	...	£1,160,000
„ Special	...	...	225,000
			£1,385,000
TASMANIA.			
1900	...	...	£489,151
1901-2	...	...	373,141
Decrease	...	...	£116,010
Further Decrease, 1902-3	...	...	£33,141
Leaving Revenue, 1902-3	...	...	£340,000
Total, 1900	...	...	£7,762,653
Uniform, 1901-2	...	...	8,692,750
Increase	...	...	£930,097
Add Special	...	...	201,569
Total Increase	...	...	£1,131,666
1902-3 Increase, Uniform	...	...	£137,250
„ Special	...	...	23,431
Total Increase	...	...	£160,681
Total Uniform, 1902-3	...	...	£8,830,000
Special	...	...	225,000
Total Estimated, 1902-3	...	...	£9,055,000

Mr. CONROY.—Does the Treasurer make any allowance for the shortage from spirits?

Sir GEORGE TURNER.—Certainly; I have taken account of that as part of the revenue. Honorable members will see the details in the papers which I have circulated. I ask honorable members to turn to page 3,

where I have given a calculation showing the proportion which the customs and excise revenue in the States bears to the total collections, as follows:—

—	1899-1900.	1901-2
New South Wales	17.44	22.53
Victoria	30.85	29.52
Queensland	34.94	30.59
South Australia	22.54	24.55
Western Australia	32.47	32.50
Special	...	5.46
Tasmania	47.47	40.31
Average	26.73	27.14 without special Tariff

In New South Wales, South Australia, and Western Australia last year, there was a considerable increase in the proportion collected from customs and excise. In Western Australia there was a considerable increase, if the revenue from the special Tariff is included; but if it is omitted, the proportion collected was just about the same. In Queensland and Tasmania we had decreases. The total proportion is, however, practically the same. Of course, honorable members will realize that during this year great changes will take place in connexion with that proportion, because a larger sum, on the whole, will be derived from this source, and a much larger sum in two of the States. If honorable members will now turn back to page 2, they will see the following statement, showing the amount collected per head in 1900 and the amount estimated for 1902-3: I am not comparing the figures with those of 1901-2, because I prefer to compare them with those of 1902-3, when we shall have a whole year's experience of uniform Tariff:—

—	1900.	1902-3
	£ s. d.	£ s. d.
New South Wales	1 6 4	2 5 0
Victoria	1 19 3	1 17 10
Queensland	3 3 8	2 6 7
South Australia	1 15 8	1 17 2
Western Australia	5 6 2	5 10 6
Special	...	...
Tasmania	2 16 6	1 18 10
Commonwealth	2 6 5	2 5 6 without special Tariff

members will see that there are considerable variations. The total head collected in 1901 was against our anticipation of £2 out taking into consideration tariff. The last statement given shows the proportion of the as compared with the population anticipations for 1902-3. In New South Wales and Queensland the expected will be practically the same amount per head in the Commonwealth. In Victoria and South Australia much less. In Tasmania it is much less, while in Western Australia, it will be very much more. It is as follows:—

	1900.	1902-3.
New South Wales Collected	23·01	35·67
Population	36·15	36·07
Victoria Collected	30·18	26·05
Population	31·85	31·31
Queensland Collected	20·11	13·59
Population	13·08	13·27
South Australia Collected	8·23	7·70
Population	9·56	9·43
Western Australia Collected	12·17	13·14
Population	4·75	5·41
Tasmania Collected	6·30	3·85
Population	4·61	4·51

give a comparison showing how much better or worse off the States are with previous years, after the cost of federation. In the next I compare 1901-2 with 1902-3:—

	£
New South Wales ... plus	934,333
... minus	47,362
Victoria ... minus	297,847
Queensland ... plus	35,137
South Australia ... plus	176,172
... minus	127,741
Total plus	672,692

the present year with 1900, the figures are as follow:—

	£
New South Wales ... plus	1,260,012
... minus	132,987
Victoria ... minus	399,834
Queensland ... plus	13,745
South Australia ... plus	199,820
... minus	162,183
Total plus	778,391

Then comparing this year with 1901-2, the figures are as follow:—

	£
New South Wales ... plus	325,679
Victoria ... minus	85,605
Queensland ... minus	101,987
South Australia ... minus	21,392
Western Australia ... plus	23,448
Tasmania ... minus	34,448
Total plus	105,699

That shows how the customs collections, as we now anticipate, will come out as compared with what they were last year, and as compared with what was received by the States in 1900. On page 4 I give some further information—which I do not intend to go into in detail—with regard to the percentage of each State in receipts and expenditure. On page 5 of the papers, under the head of population, I give the figures which we use throughout our calculations, in order that honorable members may be able to check them. If they will turn to the next page they will see an attempt to show under the different divisions of the Tariff the amount that we will anticipate to collect compared with the amount collected in the nine months, the various deductions that have to be made, and the difference between the net revenue estimated for this year and the total net revenue which we collected last year. The estimated revenue from customs and excise duties is as follows:—

	Customs.	Excise.	Total.
	£	£	£
New South Wales	2,662,500	645,000	3,307,500
Victoria	2,065,000	415,000	2,480,000
Queensland	924,500	200,000	1,124,500
South Australia	611,000	95,000	706,000
Western Australia	1,082,000	78,000	1,160,000
Special	225,000		225,000
Tasmania	238,500	42,500	281,000
Total uniform	7,603,500	1,375,500	8,979,000
Drawbacks, &c.			140,000
			9,119,000
Western Australia (special)			225,000
			9,344,000

Mr. HIGGINS.—Are the figures in large type estimated?

Sir GEORGE TURNER.—The figures in large type are estimated, and the figures in small type are for the nine months, or last year. In the first part of my speech I gave a statement showing how much I anticipate to receive, more or less, in each State. I also propose to circulate a statement I have had prepared, which shows each item of the Tariff, the alterations made in it, and the amount collected each month, including July and August, so that honorable members will have before them the information relating to eleven months of the year, and can check the various calculations that will be distributed. Had I possessed the full information with regard to July and August when I made these calculations, I might have varied some of the details, but I do not think that I should have varied the totals. I believe that the totals will come out as given, taking those months into comparison. I have since discovered that in Queensland a considerable sum — about £37,000 — is lodged on deposit. That amount has not been taken into my calculations. I did not know of its existence, and the Queensland revenue at the end of the year may be increased by something like that sum. Honorable members will see one line headed credits and debits. That refers to duties which are collected under section 93 of the Constitution in one State, and have to be credited to another. It shows to some extent the effect of goods passing from one State to another. It is as follows:—

	9 months. 1902-3.	
	£	£
New South Wales collected		
for other States ...	24,644	40,000
Victoria collected ...	61,314	100,000
South Australia collected ...	4,749	6,000
Queensland received from other States ...	50,376	80,000
Western Australia received ...	1,765	2,000
Tasmania received ...	38,566	64,000

That shows that a large quantity of goods are imported into New South Wales and Victoria and ultimately find their way into Queensland and Tasmania. On page 9 I give further information with regard to customs and excise receipts for the months of July and August, which I could not

include in the large statement. It is as follows:—

	July.	August.
	£	£
New South Wales ...	305,089	302,226
Victoria ...	213,723	216,308
Queensland ...	112,532	110,611
South Australia ...	64,076	58,836
Western Australia ...	118,033	101,417
Special ...	26,146	22,400
Tasmania ...	28,610	29,602
Total uniform ...	842,063	819,000

Honorable members will find that in July we collected £842,063 and in August £819,000. Of course if this rate were to continue, the amount I anticipate would be very largely increased. I have communicated with the collectors of Customs and they are all of opinion that the amounts now being collected are abnormal, and are accounted for by re-stocking and the importation of summer goods, and that that rate cannot be maintained during the year. Therefore it will be very unwise to attempt to ascertain the amounts likely to be collected by multiplying the figures for either of those months by twelve. August shows a falling off as against July, and as far as I have obtained the figures for September, they show a further falling off as against August. In addition to which the rebate on sugar, which will be a considerable amount in the course of a year, has not been deducted from these figures. Honorable members, when dealing with the figures which I am supplying, must not run away with the idea that, because the revenue for any one month is a certain amount, the revenue for the year will be twelve times that amount, though it is a common way of calculating the receipts for the year to multiply the receipts of any one month by twelve. If they look at the tables which I have submitted they will see that the monthly returns vary very greatly. On page 10 of the papers distributed by me they will find a return of the Customs and excise revenue of the various States for the eighteen months from the 1st July, 1899, to the 31st December, 1900, compared with the eighteen months from the 1st January, 1901, to 30th June, 1902. I have procured that information, because in some of the States there has been a great cry about the immense loss of revenue which has occurred

in consequence of federation. In some quarters federation has been blamed for everything that has gone wrong, and those who have a grievance against it are in the habit of picking out one or two items to substantiate their complaints. But, to make a fair comparison, the total amount of revenue obtained since federation must be compared with the total amount obtained prior to federation, and the following table gives that information in regard to each of the several States :—

	1st July, 1899, to 31st December, 1900.	1st January, 1901, to 30th June, 1902.	Increase, +, Decrease, -.
	£	£	£
New South Wales ..	2,675,907	3,831,843	+1,155,846
Victoria ..	3,489,386	3,731,524	+242,138
Queensland ..	2,398,803	2,007,380	-391,423
South Australia ..	985,968	1,052,447	+66,499
Western Australia ..	1,434,552	1,625,443*	+190,891
Tasmania ..	723,251	594,594	-128,657
Special Western Australian Tariff	11,712,957	12,843,251*	+1,130,294
	..	201,569	+201,569
	11,712,957	13,044,820	+1,331,863

* Does not include Special Western Australian Tariff.

Mr. WATSON.—Has the new expenditure been deducted from those amounts?

Sir GEORGE TURNER.—No; those figures express the total amounts collected, and a perusal of them shows that the majority of the States have no cause for complaint on this head. It must not be forgotten, however, that, as we now compel the States Governments to pay duty upon dutiable articles imported by them, the amounts so paid must be deducted from their receipts.

Mr. V. L. SOLOMON.—But most of the money will be returned to them again.

Sir GEORGE TURNER.—The following table shows the duty actually paid on State imports from 7th April to 30th June of this year, and during the months of July and August, and our estimate of the payments for the year 1902-3.

	£
7th April to 30th June ..	75,563
July	22,120
August	18,858
	£116,541

ESTIMATE, 1902-3.

	£
New South Wales ..	80,000
Victoria ..	35,000
Queensland ..	30,000
South Australia ..	14,000
Western Australia ..	84,000
Tasmania ..	2,500
	£245,500

Then follows a table giving the estimates of revenue in the department of Defence for the year ending 30th June, 1903, as compared with the revenue for the year ended 30th June, 1902, and from it will be seen that the receipts from the sale of rifles, small-armammunition, stores, clothing, fines, &c., during the year 1901-2 amounted to 9,431, while the estimate of receipts on or those heads for the current year is £9,204. On page 13 there is a table setting forth the receipts and expenditure in the Postmaster-General's department in each of the States during the year 1901-2, including arrears 1900-1 and "Other" expenditure. It is as follows :—

	New South Wales.	Victoria.	Queensland	South Australia.
	£	£	£	£
Receipts	870,244	588,278	312,882	276,191
Expenditure	829,556	571,082	415,358	243,408
Receipts over Expen- diture	40,686	17,196	..	32,723
Receipts under Expen- diture .. ..	..	..	102,476	..

	Western Australia.	Tasmania.	Total.
	£	£	£
Receipts	225,748	91,530	2,364,873
Expenditure	256,401	107,531	2,423,448
Receipts over Expen- diture .. ..	..	..	..
Receipts under Expen- diture	30,653	10,051	58,575

There was therefore a total loss of £58,575 upon the actual working of the Post-office for that year. I should be glad to submit to the House a balance-sheet showing the operations of the Postmaster-General's department in the way in which the operations of an ordinary commercial concern would be shown, but when on a former occasion in Victoria I tried to do so, I was supplied with a balance-sheet which

did not meet with my approval, and the officials of the department now tell me that they are not yet in a position to give me the necessary information. They say that they cannot do so until they know the amount of interest which will be fairly chargeable to them for transferred buildings, and have other information of a similar kind. Therefore we shall have to wait until the next Budget speech for that. We anticipate that the operations of the department during the current year will be as follows :—

POST OFFICE. 1902-3.

ACTUAL RECEIPTS AND PAYMENTS, INCLUDING ARREARS AND "OTHER" EXPENDITURE, 1901-2.

—	Receipts.	Expenditure.	—
	£	£	£
New South Wales	887,500	890,617	minus 3,117
Victoria ...	620,900	610,116	plus 10,784
Queensland	323,500	428,884	minus 105,384
South Australia	268,200	261,140	plus 7,060
Western Australia	243,900	278,278	minus 34,378
Tasmania	100,400	115,191	minus 14,791
Total ...	2,444,400	2,584,226	minus 139,826

There will be a total loss of £139,826, at which honorable members may be astonished, but it is to be explained by the statement that we are expending £140,110 during the year upon works and buildings in connexion with the department, and that sum will be charged as transferred expenditure. At first we were of the opinion that it should be regarded as "other" expenditure, but, as I shall explain when I come to deal with works and buildings generally, we now consider it fair to regard it as transferred expenditure. If that amount were left out of consideration, the department would practically pay its way during the current year, supposing our anticipations in regard to revenue and expenditure to be correct.

Mr. WATSON.—Has the right honorable gentleman allowed for increases of salaries in the department?

Sir GEORGE TURNER.—The estimate allows for the increases to postal officials. I will presently give full information in regard to increases generally. It is only fair to say that in the

year which has just passed the departmental expenditure was largely increased by the amount of arrears from the previous year which had to be paid, and it has been pointed out by some of the postal officials that the year's expenditure practically included the expenditure for five quarters. This year the arrears are smaller, and therefore a better result will be shown. The statements give the actual receipts and payments during the respective years. My desire is that in every department, wherever possible, every liability shall be paid during the year in which the expenditure was incurred, so that the amount of arrears may be as small as possible. We have not succeeded in keeping down the arrears this year as well as I should have liked, because the departments have not yet got used to the new system; but I hope that next year the arrears will be trifling. On page 14 a table appears, showing the estimate of revenue for the year ending 30th June, 1903, compared with the receipts for the year ending 30th June, 1902, from which I have extracted the following totals :—

—	1902-3.	Compared with 1901-2.
	£	£
New South Wales	887,500	increase 17,256
Victoria	620,900	increase 32,622
Queensland	323,500	increase 10,618
South Australia	268,200	decrease 7,991
Western Australia	243,900	increase 18,152
Tasmania	100,400	increase 8,870
	£2,444,400	increase £79,527

I am informed that the decrease in South Australia is accounted for by the fact that alterations of terminal and other charges in connexion with the Eastern Extension Cable Company's business have resulted in a falling-off of the receipts.

Mr. WATSON.—Can the Minister say why such a large falling-off is anticipated in the revenue derived from the carriage of bags and boxes in Victoria?

Sir GEORGE TURNER.—If honorable members compare the items they will find that the amounts will not agree. The figures for 1902-3 are based upon the existing mode of collecting the revenue, whereas the receipts for 1901-2 were arranged according to an entirely different system. Certain items which in 1901-2 were

credited to one branch are now credited to another, and that makes an alteration throughout. For this reason no fair comparison of details can be made. I endeavoured to have them placed in the same form in each case, but there was some difficulty in the way, and, therefore, I have not attempted to compare details, but simply show the total for each State.

Mr. CONROY.—I suppose the extraordinary increase in the amount expected to be derived from the sale of stamps is due to the operation of the bookkeeping clauses?

Sir GEORGE TURNER. — Yes. In these increases I have included amounts which were not previously collected in some of the States. In three of the States each department had to pay postage upon the matter sent through the post, whereas in other States this practice was not followed. As it has been determined under the Post and Telegraph Bill that all the States shall pay postage upon their correspondence, and for telegrams, there will be an increase of revenue in Victoria to the extent of £16,500, in Queensland of £12,000, and in Tasmania of £5,000. This new practice will not interfere with the receipts in the other States, where it had previously been the rule for the departments to pay for the services rendered by the post-office. This item must be borne in mind when we are dealing with the amount of the surplus to be returned to each of the States. Three of the States will now have to pay for services which have hitherto been rendered free of cost. I could not obtain any reliable information regarding the Commonwealth postage, and, as it would not affect the actual results, I have not regarded it as necessary to make provision for it in the Estimates.

Mr. McCAY.—Are the estimated receipts for telephone and telegraph services based upon the rates which were recently approved of by Parliament?

Sir GEORGE TURNER.—No, my honorable friend has anticipated my next observation. The Post and Telegraph Rates Act provided for certain alterations of rates which I believe will result in a reduction of the revenue in most of the States, but upon this point I have not been able to obtain complete information. The loss will not amount to a very large sum altogether, and I hope that, with the increased business which will result when we are restored to

prosperity, our Estimates will be approximately realized. I did see some figures relating to this matter, but I do not recollect them at the moment. Although they might in themselves appear large, they do not represent a very large amount compared with the total revenue to be collected in each department. Honorable members will see, therefore, that according to these figures we expect to collect from the Post-office and Telegraph department £2,444,400. This is an increase upon the revenue received during the previous year of £79,527. At page 15 of the printed papers which are before honorable members, I have summed up the figures in such a way that a glance will show the amount we expect to collect in each State under each head of revenue, and the increase or decrease as compared with the previous year. From the statement I have extracted the following figures:—

	1902-3.	1901-2.	Difference.
	£	£	£
New South Wales ...	4,040,640	3,691,440 plus 349,200	
Victoria ...	2,925,495	2,972,280 minus 46,785	
Queensland ...	1,523,780	1,611,594 minus 87,814	
South Australia ...	949,889	976,981 minus 27,092	
Western Australia ...	1,404,028	1,360,003 plus 44,025	
Tasmania ...	441,272	475,036 minus 33,764	
	11,285,104	11,087,334 plus 197,770	
Western Australia (special)...	225,000	201,569	23,431
	11,510,104	11,288,903 plus 221,201	

The total amount collected from all sources during 1901-2 was £11,087,334, plus £201,569 collected under the special Tariff in Western Australia, making in all £11,288,903. This year we expect to receive £11,510,104, of which £225,000 is expected from the special Tariff in Western Australia, and £11,285,104 from all other sources. We anticipate that there will be an increase in the revenue from all sources of £221,201. That concludes what I desire to say with regard to the revenue, and I shall now direct the attention of honorable members to the proposed expenditure. I shall deal with the various papers presently, but I desire now to give a few general details. The estimated expenditure for the year is

ESTIMATED REVENUE IN VICTORIA

£3,924,764. The estimate for the previous year was £4,016,594; so that, comparing estimate with estimate, there is a decrease in the amount now asked for of £91,830. When, however, we compare the Estimates for this year with the actual expenditure of last year, we find that they provide for an increase of £243,080. The transferred expenditure this year is put down at £3,629,291, as compared with £3,422,572 last year, an increase of 206,719. The other expenditure for the current year is estimated at £295,473, as compared with £259,112 last year, an increase of £36,361, making a total increase over last year of £243,080. The following table shows the various amounts:—

Estimated Expenditure, 1902-3	... £3,924,764
" " 1901-2	... 4,016,594
Decrease	... £91,830
Actual Expenditure for 1901-2 was	... 3,681,684
Showing Estimates for 1902-3 increase over actual expenditure of 1901-2	... 243,080
Transferred, 1902-3	... £3,629,291
" 1901-2	... 3,422,572
Increase	... £206,719
Other, 1902-3	... £295,473
" 1901-2	... 259,112
Increase	... 36,361
Total Increase...	... £243,080

Honorable members will no doubt be startled to find that we are asking for such a large amount in excess of the expenditure last year, but the explanation is a very simple one, and it involves the question of works and buildings. Honorable members know that we provided a very large sum last year for works and buildings, but as the Estimates were passed just at the end of the financial year we spent practically nothing. £116,300 was provided for, but we spent only £5,029. In comparing the proposed expenditure for the present year with that of the past year, we should in fairness take this item into consideration. It will be found that we actually expended in 1901-2, £3,681,684. If we add £111,281 which we should have expended in that year—and which, under ordinary circumstances, would have been spent—we arrive at a total of £3,792,965. Then, again, taking the estimated expenditure for the current year at £3,924,764, and deducting from it £111,281 which

Sir George Turner.

should have been expended last year, we have £3,813,483 as the total amount of our proposed expenditure, or an increase upon last year's figures of only £20,518. In that connexion, we provide this year for the expenditure of £69,317 for further works and buildings, and there are a number of other items which I shall bring under the notice of honorable members at a later stage. In 1901-2 many items were for part of the year only, and in 1902-3 we provide for the whole of the new works for practically two years. Therefore, if honorable members take all the facts into consideration, they will see that we are not asking for an unreasonable amount of money. If we had passed the Estimates earlier last year, the money voted for works and buildings would have probably been spent, and the revenue for this year would have been relieved to a degree corresponding with that in which the expenditure of last year was increased. Therefore, there would have been a difference of £222,562 in the expenditure of last year as compared with the present year. The result is the same as that which follows from an honorable member changing sides in a division. His transfer from one side of the House to the other makes a difference of two in the count. The following figures, which are given at page 16 show the cost of departments in 1901-2 and the estimated cost for the year 1902-3, and indicate the increases or decreases in each case:—

	1901-2	1902-3	Increase or Decrease
	£	£	£
Governor-General	24,707	15,500	minus 11,207
Parliament	123,080	110,887	minus 12,193
External Affairs	33,356	33,890	plus 534
Attorney-General	2,680	2,737	plus 57
Home Affairs	14,748	72,771	plus 58,023
Treasury	10,458	13,586	plus 3,128
Customs	262,092	272,583	plus 10,491
Defence	553,830	791,087	plus 237,257
Defence { Compensation		25,137	plus 25,137
Works	2,570	29,221	plus 26,651
Post Office	2,336,465	2,541,273	plus 204,808
Coronation	13,718	9,600	minus 4,118
Printing Office	1,671	6,000	plus 4,329
Totals	3,681,684	3,924,764	
Increase			243,080

If honorable members refer to those figures, they will see that in connexion with the Defence departments there is a decrease of £62,743. Against this, however, £25,137 is provided for compensation, and the amount

ure for new works and buildings
eased by £26,651. This reduces
decrease of last year's expenditure
In the Post-office department
a increase of £204,808; in the
expenses a decrease of £4,118,
ting-office machinery an increase

OUCH.—Is there to be another
this year? I notice that a sum
s provided in that connexion.

ORGE TURNER.—The honor-
arned member has neglected to
e other column. In connexion
oronation celebrations, a total
22,000 was provided. Of that
3,718 was spent last year, and
to be spent this year. It will
n that during the current year
iture under this heading will be
than it was last year. Of course
of accounts had to be paid in
st, and September of this year,
the previous year.

erson.—That £22,000 is in excess
voted for the purpose by this

ORGE TURNER.—No. The
member must recollect that the
sing the Commonwealth contin-
detained in London considerably
an was originally anticipated.
ly, I expected that a further de-
d be made upon me in connexion
particular item. However, that
s not forthcoming, and I did not
The total expenditure, therefore,
was £3,681,684, as compared with
, which is the estimate for this
ould like to give a brief explana-
how this increase arises. The
in the Governor-General's de-
accounted for by the fact that the
ich was voted as an allowance by
was to apply to one year only.
ion with the legislature, we an-
eduction in the cost of printing,
e are hopeful that next session
e so prolonged as has been the
e. Of course, honorable mem-
elves can largely assist us to
uce that particular expenditure.
e connexion with the department
al Affairs, which appears to be a
cludes £20,000 for the admin-
New Guinea, and £2,400 in
with the Pacific Islands mail

service. In the Department for Home
Affairs, the following increases occur:—

HOME AFFAIRS.

	£
Staff for full year	3,600
Public Service Commissioner, &c.	14,887
Public Works Branch	5,200
Rent, Repairs, &c.	805
Electoral Expenses	35,000

Includes also expenses re sites valuation pro-
perties.

Still dealing with the question of increased
expenditure, I would point out that in that
department the amount provided covers
the staff for the full year, thus accounting
for a difference of £3,607. The Public
Service Commissioner's department will
cost us £14,994, about £10,000 of which
is for the office and the various matters
connected therewith, whilst the balance
consists of the special appropriation to cover
salaries. Apparently, the staff, when in
full working order, will consist of about
seventeen officers. Honorable members
will realize that the department will
require a considerable amount to cover
the cost of its printing. I would
further remind them that a great deal
of travelling will have to be done in carry-
ing out the scheme for the reclassification
of the public service. Examinations have
also to take place, and, in this connexion,
honorable members will understand that we
are dealing with the Commonwealth, and not
with an individual State. Of course we shall
receive a certain amount of revenue from
the examinations which will, to some ex-
tent, reduce the expenditure of this depart-
ment. Then we have provided for the
public works branch a sum of £5,267.
That branch is not yet fully established,
but it will be established gradually. We
have also provided £5,000 which we
shall pay to the States for services rendered
by their officers in supervising Common-
wealth public works. While that pa-
takes of the nature of an expenditure,
we should remember that that money is re-
turned to the States, so that in reality they
suffer no loss. We have also set apart the
sum of £35,000 for bringing the Electoral
Act into operation. Originally a much
larger sum was proposed, but my honorable
colleague, the Minister for Home Affairs,
has since considerably reduced it. I know
that in Victoria the annual vote in con-
nexion with electoral matters is approx-
imately £17,000. Honorable members will

therefore realize that in this connexion £35,000 is an expenditure which is necessary and unavoidable. Probably in the first year of the operation of the Act the expenditure will be heavier than it will be hereafter, because the rolls have to be prepared and printed, and that in itself is a very large undertaking. I think, therefore, that the amount provided for this purpose cannot be said to be an unreasonable one. We have also included certain expenditure in connexion with the federal capital site—expenditure which will inevitably be incurred by the board appointed to make the necessary inquiries and to value the properties to be resumed. In the Treasury department I have been forced to somewhat increase the staff, and I have also deemed it justifiable to increase the salaries which the officers were receiving. Moreover, last year the Audit Office provided for only six months instead of twelve. I found that in the Treasury the secretary was overworking the clerks. Accordingly I suggested that the office hours should be from 9 a.m. till 9 p.m., and insisted that the Factories Act should be complied with by giving the employes a half holiday on Wednesday, thus allowing them to leave the office at 4.30 p.m. No one, therefore, can complain that in my department the officers are not receiving liberal treatment. Of course, they have recently been working very hard, but the pressure will now be relaxed. In the Customs department the charge for auditing amounts to £3,600. That is one of the charges which has the effect of increasing our expenditure, although the money is repaid. I laid down the rule, which appears to me to be a sound one, that the States should be paid for whatever services they rendered to the Federation, and that, similarly, the Commonwealth should be recouped for services rendered to the States. The increase for new works now charged against departments represents £4,600, and for pensions £600. There is still another item in this department which I submit to honorable members with every confidence. We all recollect that an officer of that department, in the person of Mr. Smart, remained in this Chamber and in the Senate, night after night, for many months, supplying members with information regarding the Tariff when that measure was under discussion. In addition to this, previously, he had worked

night and day assisting in its preparation. The Government, therefore, ask Parliament to grant him a bonus of £250. In the Customs department portion of the increased expenditure is accounted for by the fact that we have to pay an additional £4,500 in connexion with the excise upon sugar. Now we come to the Defence department. In connexion with that department, I propose to confine myself to the figures as they appear upon the Estimates. At a later stage my colleague, the Acting Minister for Defence, will have an opportunity of giving to the committee full details in connexion with the retrenchment scheme, and to show how the reductions are made up. I have not the information in my possession, and therefore cannot place it before honorable members.

Mr. WATSON.—There does not appear to have been much pruning done in connexion with these Estimates.

Sir GEORGE TURNER.—Honorable members should not make up their minds to the question until they have heard the statement from my honorable colleague. What they have done so I think they will agree that there has been a large amount of pruning.

Mr. REID.—Has the reduction of £175,000, which has been spoken of, been made?

Sir GEORGE TURNER.—I intend to deal with that question. In connexion with the head-quarters staff, increases have been made to the extent of £10,000. Then the sum of £25,000 provided for compensation to officers whose services have been dispensed with, and an increased sum of £26,000 in connexion with the item "New works" is now to be charged as "Transferred" and not as "Other expenditure." The figures dealing with the Defence are contained in the following table:

DEFENCE.

Increases—Head-quarters ..	10
Compensation ..	25
Works ..	26
Decreases—Rifles and Maxim Guns ..	10
Naval Votes ..	25
Military ..	30
Royal Reception ..	10

ESTIMATES.

	1901-2.	1902-3.	Decrease.
	£	£	£
Naval ..	72,870	46,524	26,346
Military ..	715,724	589,742	125,982
Other Defence ..			
Items ..	148,618	125,748	22,870
	£937,212	£762,014	£175,198

EXPENDITURE 1901-2, AND ESTIMATES 1902-3.

	£	£	£
Naval—			
New South Wales ...	9,904	5,885	minus 4,019
Victoria ...	25,798	19,707	minus 6,091
Queensland ...	23,110	15,084	minus 8,026
South Australia ...	8,598	5,848	minus 2,750

£20,886

Military—			
Head-Quarters	5,451	15,225	plus 9,774
New South Wales ...	209,278	203,340	minus 5,938
Victoria ...	207,614	189,253	minus 18,361
Queensland ...	101,364	84,412	minus 16,952
South Australia ...	31,189	38,961	plus 7,772
Western Australia ...	33,677	24,793	plus 1,116
Tasmania ...	17,451	18,513	plus 1,062

COMPENSATION.

New South Wales ...	£13,435
Victoria ...	6,523
Queensland ...	3,012
South Australia ...	854
Western Australia ...	115
Tasmania ...	1,198

Total ... £25,137

We find a decrease on the actual expenditure of last year of £10,000 in regard to rifles and Maximguns; that is, we are spending £15,000 this year as against £25,000 last year. The naval votes on the actual expenditure of last year have been reduced by £20,000, and the military votes by £32,000. Then, of course, there was the Royal reception, which cost £10,000 and which is a non-recurring item. So that leaving out of the question the two points in regard to compensation and new works, there has been a reduction on the actual expenditure of last year of £64,000.

Mr. G. B. EDWARDS.—The net reduction of expenditure is only £11,000, whilst the Royal reception in the previous year came to £9,739.

Sir GEORGE TURNER.—If honorable members are going to make up their minds all at once, then of course I am helpless. I can only say that the promise made by the Minister for Defence has been more than carried out.

Mr. GLYNN.—Especially on the Naval Estimates.

Sir GEORGE TURNER.—The Estimates, as will be seen from the tables given above, were £937,212 for 1901-2. I may as well mention here that the amount for the squadron is unaltered, remaining as it does at £106,000. Allowing for that, we have left £831,212, and the Minister

for Defence promised that the Estimates of this year would be £131,212 less than the Estimates for last year.

Mr. WATSON.—No; the promise was that the expenditure of this year would be £130,000 less than the expenditure of last year.

Sir GEORGE TURNER.—The honorable member is wrong. What the Minister for Defence said was that the Estimates of this year, as compared with the Estimates of last year, would show a reduction of £131,212, and he told the House that during the currency of the year he hoped to reduce the expenditure, as compared with the Estimates, by £100,000. He has carried out that promise to the letter.

Mr. WATSON.—That was not what the Minister said.

Sir GEORGE TURNER.—The honorable member will find that I am stating what is absolutely correct. We have carried out the promise to reduce the Estimates by £131,212, and we have gone further, and made an additional saving of nearly £44,000, so that the Estimates of this year show a reduction of £175,198, as compared with the £131,212 promised. Last year the estimated expenditure was £937,212, the actual expenditure £826,012, and the saving £111,200. These savings were made during the year, and it is hardly fair for honorable members to say that because those savings were made last year the Government are doing nothing in the way of saving this year; the very fact of our having made these savings reduces the expenditure. If we had allowed the expenditure to go on as provided for in the Estimates, everybody would have been perfectly satisfied that we had made a good saving this year; but because we went further, and insisted on making savings last year, we ought not to be blamed. We found that last year we provided for a considerable amount of ammunition, though not so much as is now required. I mentioned the item of rifles, and the amount we have saved on the actual expenditure, and have also drawn attention to the expenditure on works, buildings, and other items. We have reduced the Estimates of the naval expenditure by £26,346, and that of the military expenditure by £125,982, and the Estimates in regard to other Defence items by £22,870, which makes up the £175,198 I have mentioned. On the actual naval expenditure of last year in New South Wales, there is a saving to the

extent of £4,019; in Victoria of £6,091, in Queensland of £8,026, and in South Australia of £2,756. These figures show a total saving on the actual expenditure of last year of £20,886. In the military expenditure there is the increase I have mentioned in connexion with the headquarters staff—actually £9,774. In New South Wales the reduction as compared with the actual military expenditure of last year is £5,938; in Victoria, £18,361; in Queensland, £16,952; but in the other three States there are increases. In Western Australia there is an increase of £1,116; in Tasmania, £1,062; and in South Australia £7,772. The increase in South Australia is, I believe, accounted for by the fact that there is an increased establishment in that State, and probably those drill instructors will crop up in connexion with this particular item. I have mentioned that it has been determined, subject to the approval of the House, to give compensation to a large number of officers and men whose services have been dispensed with, in many cases before they might naturally expect to cease duty. That compensation, as can be seen from the tables above, is distributed amongst the States—New South Wales receiving £13,435; Victoria, £6,523; Queensland, £3,012; South Australia, £854; Western Australia, £115; and Tasmania, £1,198. The last department with which I have to deal in this connexion is the Post-office, and here there have been several increases, which the following statement shows in detail:—

POST-OFFICE.

		Increases.
Repairs	...	£10,000
Audit	...	1,500
Pensions	...	5,500
Supervision works	...	2,100
Works, new	...	140,000

INCREASES IN POST-OFFICE DEPARTMENT.

	1902-3.	1901-2.	
	£	£	£
New South Wales	786,896	775,583	plus 11,313
Victoria	552,332	542,223	plus 10,109
Queensland	399,818	393,500	plus 6,318
South Australia	232,473	226,109	plus 6,364
Western Australia	261,607	255,177	plus 6,430
Tasmania	104,623	99,716	plus 4,907

£45,441

One item—that of repairs—shows an increase of £10,000. There was a practice by which money received for certain services was credited not to revenue but to expenditure,

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so that Parliament practically had no control. That is one of the items I have insisted on now being brought into our expenditure, which is necessarily increased, but at the same time this also increases the amount on the revenue side. In addition to repairs there is the audit on which we expect to expend £1,500 extra, and other increases under the head of pensions, £5,500; supervision of works, £2,100, and the new works I have mentioned, £140,000.

Mr. WATSON.—Are the pensions paid under State Acts?

Sir GEORGE TURNER.—The pensions are paid under various State Acts. Honorable members will see that instead of lumping these items together, I have distributed them over the various departments in order that we may know exactly what each department costs. I have been struggling, as I shall show later on, to find out what the various departments cost in the previous year, but it seems to be an utterly hopeless task to get a fair comparison. What we have to provide for is expenditure in different places, and I have brought together in one Budget statement the expenditure in each department. Carrying out a promise made, I think to the honorable member for Bland, I also show the Estimates and actual expenditure of 1901-2, as compared with the expenditure of 1902-3, so that honorable members may see at once where there are increases, and where there are decreases. In the various States in the Post-office department there have been increases, and these we cannot help; in a growing department it is utterly impossible to cut down expenditure. I have reduced expenditure wherever the opportunity offered, but one item accounts for nearly the whole of the increase in the Post-office. In New South Wales there is shown an increase of £11,313; in Victoria, £10,109; in Queensland, £6,318; in South Australia, £6,364; in Western Australia, £6,430; and in Tasmania, £4,907. That is a total of £45,441, but it cannot be considered very large when we are dealing with an expenditure of some £2,500,000. One item in the Postal department, namely, that of increments, comes to no less a sum than £23,000, which has to be paid under law, regulation, or custom prevailing in the various States.

Mr. WATSON.—Does that include the provision necessary to carry out the requirement in the Public Service Act in

regard to the payment of the minimum wage?

Sir GEORGE TURNER.—No.

Mr. WATSON.—Is provision made for it in these Estimates?

Sir GEORGE TURNER.—I shall deal with that matter presently. We have to provide for increased business, as well as for the heavier charges caused by the drought in connexion with our mail services. We have the telephone and telegraph lines ever extending, and, necessarily, more expenditure is involved in maintenance. In Queensland, we have had to reconstruct two lines which were destroyed, and we have charged that expenditure against revenue. That accounts for £3,700 of the increase in that particular State. Tasmania shows an increase. That increase, however, is accounted for by the fact that Tasmania has now to pay the whole of the subsidy in connexion with the Eastern Extension Company's cable between Tasmania and the mainland, whereas in former years the payment of the subsidy was distributed among the States. The agreement under which the subsidy was paid by the different States lapsed, and unfortunately the whole expenditure now falls on the island State. I believe that the authorities there endeavoured to make arrangements with the other States in regard to the subsidy, but did not succeed. The total increase on the whole of the Estimates is £243,080. Included in our proposed expenditure are the new works, which represent £180,598. Of that sum £111,281 is practically a revote from the previous year, so that the additional works provided for on this year's Estimates represent an expenditure of £69,317. I have already stated that we have provided for about £10,000, for which previously no provision was made, the amount being credited merely to expenditure. There is also a sum of £10,000, which we have paid to the States for supervision and for auditing. The disturbing item is that relating to new works and buildings. The amount involved under that heading is large. I returned the Estimate for reconsideration by the responsible Minister, in order to see whether it could not be reduced in view of the difficult position in which some of the States are likely to be placed. After reinvestigating the whole matter, however, my honorable colleague thought that we were bound to proceed with certain

public works, and those which are submitted for construction out of revenue, are not only necessary, but perfectly justifiable. I think this is the only item in which it would be possible to make any reduction if we wished to cut down the expenditure, but it cannot be reduced to any considerable extent.

Sir MALCOLM McEACHARN.—Does the amount set apart for new works include provision for undergrounding the telephone wires?

Sir GEORGE TURNER.—No, that is a different matter. I need not trouble honorable members with the details of document No. 18. It has been prepared for the purpose of enabling the committee to see in relation to the Estimates the total expenditure for the two years, and to compare it, if they choose to do so, with the different divisions in the Estimates. It also shows the total expenditure in the various States, as well as the total for the whole Commonwealth. The figures are as follow:—

TOTAL EXPENDITURE.

	New South Wales.	Victoria.	Queensland.
	£	£	£
Total (1901-2...	1,232,947	990,279	642,562
(1902-3...	1,348,461	1,026,559	650,149

	South Australia	Western Australia	Tasmania.	Total.
	£	£	£	£
Total (1901-2	334,722	334,095	147,079	3,681,684
(1902-3	370,026	362,647	166,922	3,924,764

I shall proceed now to deal with "Other expenditure":—

OTHER EXPENDITURE.

Actual amount debited to States in 1901-2.

	£
New South Wales ...	112,949
Victoria ...	99,228
Queensland ...	41,495
South Australia ...	29,952
Western Australia ...	16,001
Tasmania ...	14,306
	£313,931

Includes arrears for 1900-1, £28,541, also £36,526 out of Treasurer's advance pending loan moneys which will be repaid, and £1,971 for works and buildings out of revenue pending passing of Works Estimates Act.

COMMONWEALTH OF AUSTRALIA

The following table shows—

OTHER EXPENDITURE.

	Chargeable to 1901-2.	1902-3.	Increase or Decrease.
	£	£	£
Governor-General ...	26,707	15,500	- 11,207
Parliament ...	123,000	110,867	- 12,223
External Affairs ...	11,120	13,730	+ 2,610
New Guinea ...	20,000	20,000	...
Attorney-General ...	2,650	2,655	+ 5
Home Affairs ...	19,239	74,414	+ 55,175
Treasury ...	9,567	12,650	+ 3,083
Customs ...	3,694	4,502	+ 808
Defence ...	12,584	20,151	+ 7,567
Post Office ...	5,033	4,904	- 129
Works ...	1,971	6,500	+ 4,529
Reception ...	9,739	...	- 9,739
Coronation ...	13,718	9,600	- 4,118
	£259,112	£295,473	+ £36,361
Increase ...	...	...	£36,361

We are accused of indulging in enormous and extravagant expenditure in connexion with the transferred departments, and also of squandering money under the heading of "Other expenditure." I have set out in the Budget papers the fullest details possible with regard to the expenditure for the year which closed on 30th June last. The total actual amount debited to the States was £313,931, but the expenditure for the year amounted to £259,112. The sum of £313,931, representing the amount actually debited to States in 1901-2 includes £28,541 in the shape of arrears which we have had to pay; and £36,526 paid out of the Treasurer's advance account in order to keep loan works going until the House determines out of which fund provision shall be made for them. It also includes another small amount in regard to works and buildings, the total actual expenditure being £259,112 properly chargeable to the year.

Mr. McCAY.—Does that allow for the new expenditure of £20,000 in connexion with New Guinea?

Sir GEORGE TURNER.—Yes.

Mr. GLYNN.—The amount is much below the Convention estimate.

Sir GEORGE TURNER. — Yes; if honorable members will turn to page 24 of the papers which I have distributed, they will find that there again I have given the fullest possible details in relation to this matter. Perhaps it will be said that I have given them too fully. If I were dealing simply with a State Parliament I should not give all those details, but we are likely to be criticised by the public as well as by the

Treasurers and the officials of the States, and therefore I feel that, whatever we may do subsequently, I am bound on this occasion to give the fullest possible information relating to our finances, whether it be for or against the position which we take up. It will be seen that for 1902-3 the estimated expenditure under the heading of "Governor-General," shows a reduction of £11,207. Parliament shows a reduction of £12,223; the department of External Affairs an increase of £2,610; the Attorney-General's department an increase of £5; the department for Home Affairs an increase of £55,175; the Treasury an increase of £3,083; the Customs department an increase of £808; the Defence department an increase of £7,567; the Postal department a decrease of £129; and Works an increase of £4,529. Last year there was an expenditure of £9,739 in connexion with the Royal reception arrangements. This year there will be none, while in connexion with the Coronation there is a reduction of £4,118 in the amount charged to the present year. For the year 1902-3 we expect to spend £36,361 more than we did during the previous year under the heading of "Other expenditure," the total expenditure for this year being estimated at £295,473, as against the total expenditure of £259,112 properly chargeable against the previous year. Honorable members will see that I have separated from the general expenditure that which I consider to be due to federation. I think that I have every justification for dividing our "Other expenditure" into two classes—that caused by federation and that which would have taken place even if the Commonwealth had not been established. The expenditure caused by federation in 1901-2 was £205,655 or equal to 1s. 1d. per head, not including the exceptional expenditure, while for the year 1902-3 it is estimated that the expenditure resulting from the establishment of the Commonwealth will be £265,873 or equal to 1s. 4½d. per head. These figures represent the true cost of federation. Whatever may be said with regard to any other figures, I have no hesitation in assuring honorable members that this statement correctly sets forth the increased expenditure for which federation has been responsible. I do not think that any one who realizes the true significance of the figures will ever grumble at the expenditure.

Mr. GLYNN.—It is much less than was anticipated on the hustings.

Sir GEORGE TURNER.—It is only right that I should mention that next year we shall have to provide for the general elections, which will probably cost £60,000, and it might be fair to consider whether the sum of £20,000 should not be set apart each year, in order to meet this new expenditure. At the same time we hope to be in a position to considerably reduce the electoral expenditure, so far as that particular item is concerned. Honorable members will recollect that under section 87 of the Constitution certain accounts have to be kept between the Commonwealth on the one hand and the States on the other. These accounts will be found in the Budget papers, commencing at page 26—

OPERATION OF SECTION 87.

	Customs Revenue.	Expended.	Balance.
1901-2.	£	£	£
New South Wales	687,319	370,911	316,408
Victoria	578,301	389,847	188,454
Queensland	308,406	328,248	Dr. 19,842
South Australia	167,979	53,297	114,682
W. Australia	325,946	81,460	244,486
Tasmania	90,732	48,878	41,854
	2,158,683	1,272,641	886,042
1902-3.			
New South Wales	769,270	410,938	358,332
Victoria	559,251	359,896	199,355
Queensland	283,764	276,765	6,999
South Australia	163,247	81,772	81,475
W. Australia	337,586	90,901	246,685
Tasmania	82,334	59,401	22,933
	2,495,452	1,279,673	915,779

In this table we deal with the whole Commonwealth and with each individual State, and we show how the various figures are arrived at. I propose simply to show how much more of the States' money we could have expended than we have. We are

accused of having taken the whole one-fourth of the revenue to which the Commonwealth is entitled. It is said that we expend the whole of that one-fourth, but that is true only in regard to Queensland. With regard to the other States, we gave back in the case of New South Wales £316,408, to Victoria 188,454, to South Australia £114,682, to Western Australia £244,486, and to Tasmania £41,854. We spent more than the one-fourth in Queensland to the extent of £19,842. That was accounted for by the very heavy expenditure necessary in that State in connexion with the Post-office department, which there, as I have already pointed out, shows a very serious loss. Dealing with this year, we shall give back to all the States, after providing for the works and buildings that I have mentioned, a total of £915,779, which we might have expended. Last year the total amount we gave back was £886,000, which we might have expended.

Mr. WATSON.—And yet the right honorable gentleman proposes to borrow £500,000?

Sir GEORGE TURNER.—I shall come to that subject presently. In the case of New South Wales we propose this year to give back £358,332, to Victoria £199,355, to Queensland only £6,999, to South Australia £81,475, to Western Australia £246,685, and to Tasmania £22,933. So far as our expenditure of last year and our proposals for this year as I have outlined them are concerned, I think no one can say that we are taking away from the States anything like the total amount which we should be justified in taking from them if we went the full length which the Constitution allows us to go. An interesting comparison will be found set out in the table giving the receipts and payments, and the surpluses of the States in 1901-2 compared with the Estimates for 1902-3, as follows:—

	Receipts.	Payments.	Surplus.
	£	£	£
New South Wales	+ 349,200	+ 61,422	+ 276,998
Victoria	- 46,785	- 534	- 42,440
Queensland	- 87,814	- 40,731	- 46,475
South Australia	- 27,092	+ 20,312	- 43,028
Western Australia	+ 67,450	+ 30,340	+ 35,685
Tasmania	- 33,764	+ 10,349	- 47,371
Total	+ 221,201	+ 81,158	+ 133,369

COMMONWEALTH OF AUSTRALIA

We show the receipts, and we show how much the receipts of this year are expected to exceed the receipts of last year, and with regard to payments, we show how much they will be in excess or what savings it is expected will be made in each particular State. Then we show the amount plus or minus, comparing the two years, which we expect to return to the States. It will be seen that New South Wales will get back more than last year to the extent of £276,998, and Western Australia will get back £35,685 in excess. Unfortunately, in the case of the other four States, we shall give back considerably less than they received in the previous year. In the case of Victoria the amount given back will be less to the extent of £42,440, Queensland £46,475, South Australia £43,028, Tasmania £47,371. So that honorable members when they come to deal later on with another question, must bear in mind the fact that whilst we are not using anything near the amount we could use from the States, we are still this year, in consequence of the reduced revenue we expect to get in some of the States, giving back to the States considerably less in most instances than we gave them last year. I desire honorable members now to allow me to deal with the tables contained on page 36, and the following pages of the statement submitted to honorable members, as shortly as I can. The first is a summary showing the amount we receive and pay on account of the Commonwealth. Our total receipts, as I have already mentioned, are estimated at £11,510,104, and our expenditure at £4,007,967, which includes new expenditure we have to pay this year to the extent of £308,956. The new expenditure we pay this year is new expenditure properly chargeable to this year, plus the arrears we have to pay this year that properly belongs to the previous year. So that the States will get back altogether £7,501,787, whilst in 1901-2, we gave back £7,368,418. Consequently, the extra amount which we return this year is £133,369. In these figures the special Western Australian Tariff is included; though it is only fair to say that these amounts include £33,500 postage, which has to be paid by the States, but was not previously paid, and it also includes £245,500 which the States have to pay on their own State imports. Dealing with

w South Wales, the receipts in that State

Sir George Turner.

altogether are estimated at £4,040,640, and the expenditure—including £111,450 "other" expenditure—at £1,374,497; and taking off a debit we propose to return this year to New South Wales £2,662,903, being an increase, as I have mentioned, of £276,998 on last year. In the case of Victoria, the receipts are estimated at £2,925,495; the expenditure—including £96,723 for "other" expenditure—is £1,048,389, and, including a credit, we give them back £1,878,534—a less return this year to the extent of £42,440. In Queensland the receipts are £1,523,780, and the expenditure—including £40,998 "new" expenditure—is £665,487; and, with a credit, we return them £858,300, whilst in 1901-2 the amount returned was £46,475 more. With regard to Victoria, I might mention, in passing, that the Treasurer of that State estimates that he will get back £100,000 more than I expect he will receive. In Queensland the Treasurer estimates to get back £54,000 more than I anticipate. In South Australia the receipts are £949,889, and the expenditure £378,673—including £29,136 "new" expenditure. A credit brings the sum up to £573,120, or £43,028 less than was returned to South Australia in the previous year. In that State the Treasurer expects to receive back £50,000 more than I anticipate.

Mr. G. B. EDWARDS.—They are all more sanguine than the Federal Treasurer is then?

Sir GEORGE TURNER.—They are all more sanguine than I am.

Mr. JOSEPH COOK.—The right honorable gentleman is a pessimist!

Sir GEORGE TURNER.—I do not think so; but I am not going to place the Commonwealth in the position of enabling the States Treasurers to say that they expected to get back more than I really anticipate that they will receive. I am not going to give them the opportunity of urging that because they did not get back what they anticipated that they would receive the Federal Budget was the cause of their deficits. If, as a matter of fact, the States get back more than I anticipate all the better for them; but, if not, and if they are forced to make further savings, I do not know that that will be any great hardship. I refer honorable members to the printed statement for

get (1902-3).

[23 SEPT., 1902.]

Budget (1902-3).

15959

s with regard to Western Aus-
tasia :—

DISTRIBUTION OF SURPLUS.

SALES—	£
...	4,040,640
...	1,374,497
...	2,666,143
1901-2	3,240
...	2,662,903
1901-2	2,385,905
...	276,998
...	2,925,495
...	1,048,389
...	1,877,106
1901-2	1,428
...	1,878,534
1901-2	1,920,974
...	42,440

...	1,523,780
...	665,487
...	858,293
1901-2	7
...	858,300
1901-2	904,775
...	46,475

...	949,889
...	378,673
...	571,216
1901-2	1,904
...	573,120
1901-2	616,148
...	43,028

WESTERN AUSTRALIA—

Receipts, including Special Tariff	1,629,028
Expenditure	369,586
Credit 1901-2	1,259,442
Returned 1901-2	1,319
Extra returned	1,260,761
	1,225,076
	35,685

TASMANIA—

Receipts	441,272
Expenditure	171,335
Dr. 1901-2	269,937
	1,768
1901-2	268,169
Less returned	315,540
	47,371

COMMONWEALTH.

	£
Receipts	11,510,104
Expenditure	4,007,967
Dr. 1901-2	7,502,137
Returned 1901-2	350
Extra returned	7,501,787
	7,363,418
	133,369

Western Australia special Tariff is included

The Treasurer of Tasmania expects to receive £18,000 more, but it must be noted that in the return to Tasmania last year a sum of £10,000 was included, which was merely a refund of Money Order Advances. I hope that the States will get back more than we anticipate returning to them.

Mr. BROWN.—What is the New South Wales estimate of the amount to be received?

Sir GEORGE TURNER.—I have not heard. Pages 43 and 44 of the papers which I have circulated give a general summary of all the receipts and expenditure; and I have also endeavoured to ascertain for the information of honorable members the financial position of each of the States in 1901-2. That is shown on page 45. I have not the figures for New South Wales, but I have the best information I could obtain—the “balance at the debit of the consolidated revenue fund on the 13th June, 1902.” That amount was £236,781. I do not know exactly—I am not sufficiently well up in the finances of New South Wales to know—what is meant by “balance at the debit of consolidated revenue fund”—whether it means the excess of expenditure over revenue in the year mentioned or not. I have simply put down the statement as I have received it.

Mr. JOSEPH COOK.—Why does the right honorable gentleman put it down at all? What have we got to do with it?

Sir GEORGE TURNER.—We have a great deal to do with it. We have a great deal to do with the finances of the States, for the reasons I have previously mentioned. In Victoria for the year 1901-2 there was a deficit of £437,611; in Queensland there was a deficit of £431,939; in South Australia there was a deficit of £222,315; and in Tasmania there was a deficit of £44,279. In Western Australia there was a credit balance of £123,185, which would not have been the case there had it not been for the operation of the special Tariff of that State. I have in the next document which I have circulated, No. 46, made what I think should be a very interesting comparison, and what in years to come will be a very necessary one. At the end of the bookkeeping period it will have to be determined whether the surplus to the States shall be returned on the present bookkeeping system or whether it is to be returned on a population basis. I think it is well, therefore, that in the intervening years we should gather information with regard to what would have happened if we had not had the bookkeeping sections in the Constitution—how the surplus revenue would have been returned if it had been returned on a population basis, and what difference it would have made to the individual States. We have often heard it said that New South Wales was going to carry the whole of the burden

of federation, but these figures show rather a different result up to the present. I am reckoning on the supposition that we had not had the bookkeeping sections at all, and estimating how the distribution would have taken place as compared with what has taken place under these particular sections. We find that on the figures as they stand, New South Wales in 1901-2 would have received upon a population basis £192,634 more than she received by means of the distribution under the bookkeeping section. Victoria would have received £344,360 more; Queensland would have received £42,546 more; South Australia would have received £67,648 more; Tasmania would have received £11,053 more, whilst Western Australia would have borne the whole burden, receiving £658,241 less.

Mr. REID.—Does not that show how iniquitous that system would have been?

Sir GEORGE TURNER.—I quite agree with my right honorable friend. I have always been strongly opposed to the bookkeeping sections, but still I was forced to admit that if federation was to take place those sections were absolutely necessary. The next figures show what would happen if the amounts paid to the States in 1902-3 were distributed on the basis of population. New South Wales would receive back £38,166 less than she would receive under the bookkeeping sections; Victoria would receive £399,828 more; Queensland, £107,330 more; South Australia, £113,080 more; Tasmania, £60,014 more; whilst Western Australia would again bear the brunt, and would receive £642,086 less. So that honorable members will see, when they come to think over the matter, that everything confirms the view of those who took up the position that during the few years at the commencement of federation we must have some system of meeting the ordinary requirements of the States. Those views were right, so far as experience has shown.

Mr. GLYNN.—Some suggestions were made with regard to a distribution on a basis of male population.

Sir GEORGE TURNER.—The suggestion was that the return should be made on a population basis, and personally I should be very glad to see the whole subject dealt with on a population basis, because that would make our accounts much more simple.

g table shows the details of the
ent :—

N OF DIVISION OF SURPLUS
ACCORDING TO THE CON-
N AND ON A POPULATION

Institution	Population.	Difference.
£	£	£
385,905	2,578,539	plus 192,684
920,974	2,265,334	plus 344,360
904,775	947,321	plus 42,546
616,148	683,796	plus 67,648
023,507	365,266	minus 658,241
315,540	326,593	plus 11,053
166,849	7,166,849	
662,903	2,624,737	minus 38,166
878,534	2,278,362	plus 399,828
858,300	965,630	plus 107,330
573,120	680,200	plus 113,080
085,761	393,675	minus 642,086
268,169	328,183	plus 60,014
276,787	7,276,787	

tralia special Tariff is not included.

page, 47, and the following
own the amounts to be ex-
02-3 in each of the States. I
shown the amounts to be ex-
for the further information of
members I show in these docu-
uch amount is to be expended
States as follows :—

RE IN STATES IN 1902-3,
NG ARREARS OF 1901-2.

Transferred.	Other.	Total.
£	£	£
72,919		
301,483		
888,645		
1,263,047	111,450	1,374,497
62,006		
280,264		
608,404		
931,666	96,723	1,048,389

EXPENDITURE IN STATES IN 1902-3, INCLUDING
ARREARS OF 1901-2—continued.

	Transferred.	Other	Total.
	£	£	£
QUEENSLAND—			
Customs ...	64,942		
Defence ...	131,388		
Post-office ...	428,159		
	624,489	40,998	665,487
SOUTH AUSTRA- LIA—			
Customs ...	27,012		
Defence ...	61,901		
Post-office ...	260,624		
	349,537	29,136	378,673
WESTERN AUS- TRALIA—			
Customs ...	34,657		
Defence ...	40,228		
Post-office ...	277,983		
	352,868	16,718	369,586
TASMANIA—			
Customs ...	10,662		
Defence ...	31,798		
Post-office ...	114,944		
	157,404	13,931	171,335
COMMONWEALTH—			
Customs ...	273,190		
Defence ...	847,062		
Post-office ...	2,578,759		
	3,698,011	306,956	4,007,967
Deduct Arrears, 1901-2	69,720	13,483	83,203
For 1902-3	3,629,291	295,473	3,924,764

This expenditure is divided into columns; one column dealing with transferred expenditure, and another with "other" expenditure. I need not trouble honorable members with the position of the trust funds. We have £140,318 under that heading, which I am glad to say has not been trenched upon. Now, sir, I want to refer for a few minutes to charges which have been levelled against us on the ground of extravagance, and to the wild statements which have been made, especially in the State of Victoria, that federation has cost £500,000 or £600,000 to the State. People reading that statement will read it as meaning that the transfer of certain departments to the Commonwealth has cost that sum. Similar statements have been made in other States, and I have endeavoured for some time past to get reliable figures in order to be enabled to compare our actual expenditure with the expenditure which has taken place in the States for some years prior to

federation. I shall be prepared to show from these figures that there has been no extravagant expenditure, as has been sometimes alleged by those who either do not care to ascertain the facts for themselves or who do not know what the facts are. Now, the statement was made by the Treasurer of Victoria, as reported in the press some time ago, that the transferred departments in Victoria, under federation, were costing £100,000 a year more than they did before. That statement is absolutely incorrect. I have, in the papers submitted, taken a good deal of trouble to ascertain and give the fullest information for the purposes of a comparison, in order that the figures may be challenged. I think that the statement which has been made must have originated in a misapprehension, which has probably arisen from the fact that the comparison was made between ten months' expenditure in one year and fourteen months' expenditure in another year. Under the Victorian practice, during July and August, payments were allowed to be made on account of the previous financial year, and were charged against that year. Under our Commonwealth system we shut down sharp on the 30th June—the end of the financial year. The consequence of that is that payments on account of the past year have to be made out of and charged against the revenue of the current year. Thus, in the post-office they have had to pay five quarters' expenditure in the one year. That is the only means by which I can account for the grave error which has been made in the statement that federation has cost Victoria in respect of the transferred departments £100,000 extra. Last year, compared with the previous year, during the greater portion of which the departments were under State control, the post-office cost Victoria £11,954 extra, and of that sum £9,000 extra was caused by action taken by the State just prior to federation in reclassification and the adoption of penny postage, the burden of which action we have had to bear, and which was not due to any action of the Federal Parliament. Then there was a change in the port of call in Western Australia, and that caused a considerable extra expenditure. Honorable members will also realize that, as I have mentioned already, the extension of telephone communication must necessarily involve increased expenditure in all the States. Then

Sir George Turner.

in connexion with the Defence department we have expended in Victoria £20,442 more than was spent in the previous year, but that amount is far more than covered by one item, which I have already mentioned. We had to provide the large sum of £24,000 for supplying a reserve of ammunition. The State had allowed it practically to run out, and, as a matter of fact, the amount so expended should in strictness have been charged to the previous year, and taken off the year for which we are responsible. It would then have been shown that our working of the Defence department was much cheaper than was the case before federation took place. The Customs department was worked, if I recollect aright, at a lower expenditure of £3,489 under federation than previously. The total extra expenditure in Victoria was £28,907; and I unhesitatingly state that that was caused not by any action taken by the Federal Parliament or the Federal Government, but by the action which had been taken by the State Parliament previously, and for which we are not in any way responsible. I propose also to endeavour to get the best statement I can with regard to the other States on similar lines to that which I have given in regard to Victoria. I have been able to make the statement I have made with regard to Victoria, because I have some knowledge of the finances of the State, and could readily pick out particulars with regard to the departments. These charges to which I have referred are commonly made in Victoria, and there is no doubt that they have also been made in some of the other States. Unfortunately the public read the charges, but they do not stop to inquire and investigate. They take the statements for granted—as being absolutely true—and consequently come to the conclusion that the Federal Parliament is extravagant, and is wasting the moneys which belong to the States. It is unfortunate that those opinions should be given expression to, because they create in the minds of our people an impression that could not exist if they had the true facts placed before them, and knew exactly what was taking place. The State Treasurer also said that federation has cost Victoria £426,937. Probably that statement is correct. I cannot dispute his figures. I wrote asking him to give the details, but I have not received them, and therefore I cannot tell whether he is right

I think he must have included in which was spent on the celebration probably £100,000 or £120,000, probably all returned in extras and railway fares. I do not think the celebrations here cost more than £50 or £25,000. I do not believe they cost very much more than New South Wales. I believe the money expended came back to the State Treasurers.

son.—The tea duty would cover

SIR GEORGE TURNER.—I think that Mr. Watson takes that into consideration.

Mr. Watson.—He counts that twice over.

SIR GEORGE TURNER.—I am speaking of the charges that are made with the cost of federation. When it was broadcast that federation has cost £426,937, the people naturally are owing to something which we have done. The total amount in eighteen months paid to Victoria is only £140,283. £91,422 was due to federation, £48,999 to the celebrations. All the money was spent in Victoria, and principally by people from other colonies got the benefit of that expenditure, and her people ought not to be charged with the cost of the amount charged there. £140,283 represents the cost of the New Guinea and the cost of the works amounting in all to a contribution to the Government. New Guinea was being made, and the amount expended on it will be refunded. Looking at which I have been able to ascertain, I believe, are correct and declare that all these charges, so far as Victoria is concerned, are absolutely justified. I believe that when we properly investigate the position in Victoria—even in Queensland, where I have allegations are made of the extra expense of federation—it is clear that the Commonwealth has done the business just as cheaply as the colonies would have done, allowing for the expenditure which must necessarily be done, and the extra amount borne by the different departments with regard to increments I mention we had to provide a certain amount in the Post-office. The increments

provided for all the departments come to £25,000, as follows:—

	£
New South Wales	9,734
Victoria	3,330
Queensland	3,100
South Australia	3,628
Western Australia	3,460
Tasmania	2,200
	25,452
In "Other Expenditure," viz., for new departments	1,037
	26,489

Of the total, £23,060 is in the Post-office. The amount required under sections 21 and 25 of our Public Service Act is stated to be about £48,000.

Mr. G. B. EDWARDS.—Is that owing to the minimum wage?

SIR GEORGE TURNER.—Yea, to bring the salary of an officer up to £110 after he has attained his 21st year. That amount is only based on the assumption that every person will get the increment. Probably a considerable number of them will not be able to qualify.

Mr. BATCHELOR.—Does it allow for those who would have got an increment under ordinary circumstances?

SIR GEORGE TURNER.—The amount of the ordinary increment is not included. That sum represents the extra amount which this year would be required. If a man were receiving £90, and got an increment of £10, that money is included in the amount of the other increments I have given, and the balance of £10 would be included in this sum. I have not included the full amount in the Estimates for the reason that I was not satisfied that it would be required, and I desired that further information should be obtained regarding that question. Later on it will be necessary, I have no doubt, to ask the House to provide the necessary funds, when we know exactly what is required.

Mr. WATSON.—When are the Government going to give the officers a chance to qualify?

SIR GEORGE TURNER.—If my honorable friend will put a question to the Minister for Home Affairs, he will get the information. Whenever the amount is determined by the public service commissioner, I shall take good care to provide the money, even if Parliament should not be sitting; because I know that honorable members desire that the men should get the money

at the earliest possible moment. I have also furnished the particulars I gave last year with regard to the various allowances. These are much less this year than last year. In the Defence department now there are practically no allowances.

Mr. BATCHELOR.—They are all added to the salaries?

Sir GEORGE TURNER.—Practically.

Mr. TUDOR.—That is one way of doing it.

Sir GEORGE TURNER.—Yes; and that question will have be discussed when we come to deal with the defence estimates in detail. Except in one or two cases, which my honorable colleague is able to explain more easily than I am, the allowances have been added to the salary, so that honorable members may see exactly how much each officer is receiving.

Mr. WATSON.—Will the right honorable gentleman state the reason for the very large amount which is set down as allowances in connexion with the Post-office in Queensland? Does it represent travelling allowances?

Sir GEORGE TURNER.—No; personal allowances. As soon as I complete the delivery of my speech I shall circulate a statement giving the details of the allowances to each person, as it is my desire to give every possible information as to the exact position of the finances. I need not trouble honorable members with any comments on the paper with regard to the number of employes in the different departments. I am sorry that I did not include a statement of the number employed last year. It was overlooked, but honorable members will find in the Budget papers the numbers, and will be able to check them off. It was suggested last year that I should give a balance-sheet with regard to New Guinea; this is provided, and also certain information with regard to the funded debts of the States. It is too soon, sir, to be able to say anything definite with regard to the effect of federation, but if honorable members will turn to page 60 of the Budget papers, and following pages, they will see that I have endeavoured to obtain for them some information which, I believe, will be interesting and instructive. I have shown the imports into the various States, dividing them where I could into Australian goods and over-sea goods, and distinguishing Inter-State trade from over-sea trade. The figures

with regard to over-sea imports are as follow:—

New South Wales, 1900-1	...	£18,259,965
" 1901-2	...	15,665,156
Decrease	...	£2,594,809
Victoria, 1900-1	...	£12,372,444
" 1901-2	...	12,880,466
Increase	...	£508,022
Queensland, 1900-1	...	£3,842,257
" 1901-2	...	3,506,259
Decrease	...	£335,998
South Australia, 1900-1	...	£4,086,984
" 1901-2	...	3,674,231
Decrease	...	£412,753
Western Australia, 1900-1	...	£3,606,246
" 1901-2	...	4,482,013
Increase	...	£815,767
Tasmania, 1900-1	...	£745,843
" 1901-2	...	721,593
Decrease	...	£24,250
Commonwealth, 1900-1	...	£42,973,739
" 1901-2	...	40,929,718
Decrease	...	£2,044,021

Of course it has always to be borne in mind that the values of goods fluctuate, and the falling off in the returns may be accounted for by the fluctuations in the values. It will be noticed by those who study the figures that there has been a falling off in the importations of New South Wales since the imposition of the uniform Tariff, and that there was not a very large increase in the importations of that State immediately prior to its imposition. We propose to undertake a large expenditure upon public works to be paid for out of revenue. Honorable members will see on page 65 of the papers already distributed a detailed statement showing how the proposed expenditure upon new works and buildings would be debited to the States if charged on a population basis. It was suggested last year that new works should be considered as "other" expenditure, and the cost distributed among the States on a population basis. But, after a reconsideration of the matter, the Attorney-General has come to the opinion that such works are fairly chargeable as transferred expenditure, and that to treat

them in any other way would be inequitable, because New South Wales would contribute £7,493 less than the amount actually expended in that State, South Australia £3,688 less, Western Australia £4,008 less, and Tasmania £3,393 less, while Victoria would contribute £11,230 more, and Queensland £7,352 more. Those amounts may appear to be comparatively small, but I desire honorable members to bear the fact in mind in connexion with the proposed loan expenditure. If Parliament decides that the expenditure which we propose to charge to loan account shall be paid out of revenue, and charged as "other" expenditure, the result will be that Victoria will have to provide £56,873, South Australia £9,873, and Tasmania £15,765 more, while New South Wales will provide £17,434, Queensland £49,984, and Western Australia £15,093 less than will be expended in those States respectively. The following table shows the details of expenditure:—

DISTRIBUTION OF WORKS AND BUILDINGS ON POPULATION BASIS AS COMPARED WITH EXPENDITURE IN STATE.

<i>Revenue Works.</i>			
	<i>In State.</i>	<i>Population.</i>	<i>Difference.</i>
New South Wales	70,290	62,797	minus 7,493
Victoria ...	43,280	54,510	plus 11,230
Queensland ...	15,751	23,103	plus 7,352
South Australia	20,105	16,417	minus 3,688
Western Australia	13,427	9,419	minus 4,008
Tasmania ...	11,245	7,852	minus 3,393
	174,098	174,098	
<i>Loan Works.</i>			
New South Wales	223,500	206,066	minus 17,434
Victoria ...	122,000	178,873	plus 56,873
Queensland ...	125,795	75,811	minus 49,984
South Australia	44,000	53,873	plus 9,873
Western Australia	46,000	30,907	minus 15,093
Tasmania ...	10,000	25,765	plus 15,765
	571,295	571,295	

Therefore, if honorable members determine that these works must be paid for out of revenue, it will mean that money will be taken from Victoria and South Australia to be spent in New South Wales and

Queensland, and that £15,000 will be taken from Tasmania to be spent in Western Australia.

Mr. HIGGINS.—The Treasurer assumes, then, that loan expenditure must be charged upon a population basis?

Sir GEORGE TURNER.—I assume that loan expenditure for large public works is properly chargeable upon a population basis, but I shall deal with the matter more fully when I come to refer to our loan proposals. I mention these facts now so that honorable members may bear them in mind in dealing with those proposals. We propose to expend £174,098 out of revenue, and £571,295 out of loan funds. If this is charged as transferred expenditure, no doubt, when we come to settle with the States for the buildings handed over by them to the Commonwealth, the whole matter will have to be taken into consideration, and the money will have to be repaid. So far as I and my colleagues are concerned, if we could see any way to avoid loan expenditure we should be only too glad to follow it. I have never approved of borrowing where it could be avoided, and while Treasurer of Victoria I was blamed for not borrowing and expending very large sums. But if I had adopted the policy my critics then advocated, Victoria would to-day be paying in interest £200,000 or £250,000 more than she is now paying.

Mr. WILKS.—And would be bankrupt.

Sir GEORGE TURNER.—Neither Victoria nor any of the States will ever be bankrupt, because the Commonwealth will come to the assistance of any State that gets into difficulties. I have referred to the large deficits which have occurred in the finances of the States, and I have pointed out that the States Governments have now to pay duty upon the dutiable articles imported by them, and to pay postage; and I have referred to their liability in connexion with the provision in our Public Service Act, which compels the payment of £110 a year as a minimum salary for all Commonwealth servants of a certain standing. By way of illustration, I wish to place before honorable members the position of Victoria in regard to the Commonwealth, so far as I can realize it. I anticipate that Victoria will this year receive from the Commonwealth £42,440 less than she received last year, that her share of the liability under the section of the Public

Service Act to which I have just referred will be about £12,500, that she will have to pay about £35,000 on her State imports, and about £16,500 for her postage, while about £75,000 will have to be provided in compliance with the provisions of a State Act passed just before federation was entered into, providing that Victorian public servants transferred to the Commonwealth shall be placed in as good a position as those occupying corresponding positions in other States. That will mean, it is said, an increase of about £40,000 a year in the salaries of Commonwealth officers transferred from the Victorian service, but I have taken the amount at £30,000 a year, and, as we must provide in this year the increase for last year and for six months of the year prior to that, the total amount will be, as I have said, £75,000. Therefore, Victoria, so far as the Commonwealth is concerned, will be £182,500 worse off than she was last year, and as her Treasurer has stated that he expected to get £60,000 more than received last year, it will be seen that he will be considerably out in his calculations. I believe that all the States except New South Wales and Western Australia will be worse off in regard to the receipts from the Commonwealth this year than they were last year, and that Western Australia will be saved only by her special Tariff. Honorable members strongly objected last year to the borrowing of £75,000 for the construction of telephone switchboards, and I think that there was a good deal of force in the contention that such expenditure should be provided for from revenue, though I find that in the past it has, in nearly all the States, been provided for out of loan funds. In my opinion it is legitimately chargeable against revenue, because the provision of improved switchboards enables the branches of the Postmaster-General's department in the various States to increase their revenue and to save expenditure, and I transferred that expenditure to the revenue works, but have provided only a portion this year. I still feel bound, because of the view I take of the States finances, to ask the House to proceed with the Loan Bill. The amount proposed to be expended out of loan moneys is £571,295. This includes £223,500 in New South Wales, £122,000 in Victoria, £125,795 in Queensland, £44,000 in South Australia, £46,000 in Western Australia, and £10,000 in Tasmania. I quite admit

Sir George Turner.

that it is competent for us, under the constitution, to take the whole £571,295 revenue without breaking the rule that we must not take more than one-fourth of the total customs and excise revenue for other purposes. At the same time, if we do take the whole of that amount, we seriously disturb the distribution of the revenue, so far as individual States are concerned. I believe that nearly all of us were under the impression, when the federal union was established, that the State would not be deprived of more than one-fourth of its own contribution to the Commonwealth revenue. According to the Constitution, it is perfectly competent that we may keep back the whole of the one-fourth of the revenue from the States, but if we take the whole of the money required for new works and other things out of revenue on a population basis, we shall considerably reduce the amount available for the purposes of the States. We should still give back to some of the States more than three-quarters of the total customs and excise revenue. New South Wales would receive £152,266; Victoria, £20,482; South Australia, £27,600; Western Australia, £215,778. But as the other States are concerned, we must trench upon the money which they are fairly consider themselves entitled to. Queensland would go short by £22,832 and Tasmania by £2,832. It is, therefore, that I find myself in a difficulty. To defray the cost of these works and other things out of revenue, the State last year will be left with a large shortage, and seems to me that we should very much to disarrange all the States finances. This is a very important subject, to which I have given careful consideration, because I desired if possible to avoid the necessity of asking honorable members to proceed with the Loan Bills. In view, however, of the heavy deficits which the Treasurers have to provide for, and the noble efforts which are being made to retrench and impose further taxes, and knowing, as I do, the difficulties which arise when an attempt is made to adopt either of these courses, my sympathies are undoubtedly with the States. Therefore, I am prepared to stretch even against my own feelings, in order to prevent them from falling into further difficulties. If we take a course that involves the States in further embarrass-

we shall create a stronger and perhaps a more justifiable feeling against federation than that which unfortunately exists at present.

Mr. O'MALLEY.—Does not the Treasurer think we should take over the debts of the States?

Sir GEORGE TURNER.—That would not afford any help, because we should still have to charge the States with the interest.

Mr. G. B. EDWARDS.—Would not a tea duty remove the difficulty?

Sir GEORGE TURNER.—It would certainly enable us to carry out all the works we require without interfering with the finances of the States, and without rendering their position any worse than it would be if the expenditure were provided for out of loans.

Mr. JOSEPH COOK.—The Government had better not try to impose a duty on tea.

Mr. G. B. EDWARDS.—It would be better to submit to a tea duty than to borrow.

Sir GEORGE TURNER.—This is a very important matter.

Mr. CONROY.—The Treasurer did not tell us how much he intended to ask for under the Loan Bill.

Sir GEORGE TURNER.—I said that if we carried out all the works that were proposed £571,295 would be required. I asked for permission to borrow £1,000,000, and I explained that I intended to expend during the first year £500,000, and that, in following years, I thought £250,000 would be sufficient. I am quite free to admit that we could do with less loan expenditure, but if we are to follow the practice of applying large sums out of revenue to the construction of works which would, in the ordinary course, be paid for out of loans, we shall force the States into a position which they would never have been called upon to assume if they had retained the expenditure within their own control. In all the States, large works, such as some of those proposed, have been paid for out of loans, and if the departments had remained under their control, the States would have continued that practice. If we distribute the expenditure upon a population basis, we shall undoubtedly take money from some of the States and spend it in others which could better afford to contribute it themselves. If we could charge the whole amount as transferred expenditure it would not be so bad,

because we could carry out the works in those States which could afford to expend the money. Still any arrangement of that kind would be rather hard upon such a State as Queensland, where certain works in connexion with telegraph and telephone services ought to be carried out. We know that the condition of the Queensland finances is such that no money can be fairly and justly taken from the revenue for expenditure upon these new works. If, on the other hand, we laid down the rule that population should be the basis of our expenditure, and Tasmanian requirements were taken as a guide, the total expenditure in all the States would be only £250,000. We might possibly determine that, during the bookkeeping period, or perhaps until the final settlement is arrived at between the States and the Commonwealth with regard to the mode of charging for these works, the expenditure should be reduced and charged as transferred expenditure. Whilst, however, we consider that the smaller amounts which are to be appropriated for additions to buildings and repairs might very fairly be looked upon as transferred expenditure, we doubt very much whether that would apply to the large works which it is intended to carry out.

Mr. GLYNN.—If it were regarded as transferred expenditure, would not the Commonwealth have to pay for it under the valuations of properties taken over with the transferred departments?

Sir GEORGE TURNER.—Yes.

Mr. GLYNN.—Then it does not very much matter whether it is regarded as transferred expenditure or not.

Sir GEORGE TURNER.—So far as the Commonwealth is concerned it does not matter; but honorable members must not forget that we have to consider the State finances. That is where my trouble begins. If we take from the States yearly the large sums required to carry out these works, I fail to see how they can possibly make up the deficiency. We should not be justified in placing them in any such position. When they handed over to us those sources of revenue which they could increase at their own sweet will and pleasure, they did so on the faith that we would not take any steps which would jeopardize their financial position. If the States had retained the control of Customs and excise they might, without any re-adjustment of the duties, have imposed a primage duty, or some other

tax of that kind, which would have tided them over their difficulties. We have, however, taken all such opportunities away from them, and I feel very strongly that we ought to be very cautious not to adopt any course that would prejudice their finances. I do not say that we should place them in a financial difficulty, because any such statement might be misconstrued. I believe the States will always meet all the demands made upon them. If any State drifted into a difficulty the Commonwealth would have to come to its assistance, because we could not afford to allow its good name to be tarnished.

Mr. G. B. EDWARDS.—Do not encourage that idea.

Sir GEORGE TURNER.—I do not want to do that; but, on the other hand, I do not wish to use an expression that might be construed by our enemies as meaning that any State might be allowed to fall into financial difficulties. If the loan proposals contain any sums for maintenance or repairs, they ought to be eliminated. But I do not think that they do. The expenditure provided for in the Loan Bill is absolutely necessary. Take the case of Victoria. There is no doubt that the telephone system of this State is an immense one. One cannot walk through the streets and contemplate the wires overhead without becoming conscious of the great danger which their presence constitutes. If we are to avert that danger, it is absolutely necessary that we should do in Victoria what is being done elsewhere—introduce the metallic circuit and place the wires underground. In New South Wales, too, it is imperative that this work should be proceeded with, on account of the induction caused by the adoption of the electric tram system there. The whole of the expenditure which is here enumerated appears to me to be absolutely requisite. While I am free to admit that we might distribute it over a couple of years, if honorable members deem it desirable to adopt that course, the fact remains that if we are to have proper services these works ought to be undertaken at the earliest possible moment. Already we have charged large amounts against the revenues of the States, and I do not think we are justified in going further in that direction than we have done. We had a very interesting discussion upon the Loan Bill, and when that measure is again under consideration

I trust it will be debated in that good spirit which ought to animate every one of us, and that we shall be able to devise some means by which necessary works can be undertaken without involving the States in any financial trouble. Of course, in the case of New South Wales and Western Australia the difficulty could be easily overcome, because those States have plenty of revenue, and we could charge the outlay as transferred expenditure. The position of the other States, however, is a very different and difficult one, and one which has given me very great concern. This matter must be very speedily settled, because if we are to construct all necessary public works out of revenue, I shall be obliged to submit additional Estimates dealing with that particular phase of the question. I do not wish to detain honorable members at any greater length. In making this financial statement I have felt that the Commonwealth Treasurer occupies an altogether different position from that of a State Treasurer. While I may have unduly trespassed upon the patience of honorable members I have endeavoured to omit all the figures which I possibly could, because I have arranged that they shall be circulated in *Hansard* to-morrow morning, so that honorable members may have an opportunity of seeing how I arrive at the conclusions which I have drawn from them. Of course, the committee could accomplish the same purpose by devoting very close attention to the printed Budget papers which have been circulated, but the task occupied me a considerable time, and in attempting it honorable members might possibly fall into error, and thus arrive at inaccurate conclusions. I therefore thought it wise to arrange that the details upon which I have based my conclusions should be fully set out in *Hansard*. I do not know that there are any other matters to which I need refer. I am pleased indeed to have had an opportunity of making a second financial statement, and I trust that the information which I have supplied to honorable members will be found useful to them. I invite them to fully investigate the figures put before the committee, with a view to determining whether or not they agree with my estimates of revenue and whether they think that any further saving can be effected in my estimates of expenditure. My colleagues and myself will welcome all suggestions which may be

offered with that end in view. I thank honorable members for the great patience which they have exhibited in listening to my remarks. At no time is a mass of figures interesting, but I hope that the information supplied this afternoon will be found useful to honorable members, and that in the future, as in the past, our legislation will be upon such lines, as will avoid giving to the States any just cause for complaint upon the ground of extravagant expenditure upon our part. From experience I know full well that the States require every shilling that we can return to them. That is the sole reason why I cannot go the length to which some honorable members wish me to go, by advocating the construction of the whole of our public works out of revenue. If we adopt that course I fear that we may injuriously affect the finances of the States, and I ask honorable members to seriously consider that aspect of the question before they determine to reject the Loan Bill. I do not know that there are any matters to which I should have alluded, but to which I have omitted to refer. Should there be any figures which honorable members cannot understand by a perusal of the *Hansard* report of my remarks, if they will be good enough to drop me a note, pointing out their difficulty, I shall be only too pleased to supply them with the fullest possible details, because I hold that it is the duty of the Treasurer to place unreservedly before the public all the information at his disposal relating to the financial position either of the States or of the Commonwealth.

Mr. REID (East Sydney).—In submitting his financial statement to-day I am convinced that the Treasurer might have been assured in advance that he was addressing a friendly audience, because honorable members on both sides of the House make no secret of the high opinion which they entertain of him as one of the guardians of the finances of the Commonwealth. I have never concealed my admiration of the right honorable gentleman in that respect, and although we sit upon opposite sides of the Chamber, I feel sure that I shall never have any occasion to alter the good opinion which I have formed of him. At the same time it would be unreasonable to expect any one to follow the Treasurer now. It would be impossible, even for a heaven-born financier—and I do not pretend to be one—to at once grasp the mass of

tabulated statistics which accompanied his speech. At the same time I thoroughly approve of the way in which he has sought, by means of those statistics, to give honorable members the fullest possible information in regard to the position of the public finances. They will be of great value to us when we have time to examine them. At this late period of the present most trying session, I do not intend to ask for the usual adjournment of the debate. Under ordinary circumstances it should be adjourned for a week, but in view of the pressure of public business, I shall be perfectly content if the Government will consent to an adjournment until the day after to-morrow. I think that is a reasonable request.

Mr. DEAKIN.—Hear, hear.

Mr. REID.—Even at the present stage, however, I may be permitted to make one or two observations. These will be brief, but, I hope, of importance. In the first place there are two ways in which to look at the enormous amount of customs revenue which the returns of the Treasurer disclose. We must not forget that the £8,000,000 or £9,000,000 do not represent any new gold-mine which has been discovered, and which enriches the country. It represents an enormous amount of money, most of which, I admit, is taken out of the pockets of the people of Australia. Under any financial system some heavy drain is absolutely necessary, and it would be very unfair to put the matter in any other light. But from our point of view, the principle on which this mode of collecting public revenue is based, is one which does not lead only to an enormous burden in the shape of direct taxation at the Custom-house. There is also an enormous burden caused by the extent to which revenue is prevented from flowing through the Custom-house, thus enabling a large army of extortionists to fleece the people behind the shelter of high duties. These are matters which do not provoke us to any strong feeling of congratulation. We on this side of the House wish to give the fullest credit to members who, though they did not belong to the Opposition, had a great deal to do with that to which I am about to refer. Those who joined, in a most praiseworthy way, in preventing the imposition of high taxes on a number of articles in common consumption, such as tea and kerosene, have now an absolute justification

in the fact that, in spite of the public having been saved from this taxation, the revenue has been several hundreds of thousands of pounds greater than was expected by the Treasurer. I do not suppose that those who helped the Opposition to relieve the people of some of these heavy burdens could have a more complete justification than the fact that, after having saved the public taxation estimated at from £750,000 to £1,250,000, the money lodged in the Treasury during the last twelve months has been hundreds of thousands of pounds in excess of the amount anticipated. That in itself is a subject of congratulation, at any rate to members on the Opposition side of the House. I do not want to deal with this matter at any greater length at the present time, but to refer to other subjects which seem to call for immediate notice. Will the Treasurer be good enough to explain a singular omission in the financial statement? We have had our attention drawn to various small items, but what word have we heard of the engagement entered into by the Prime Minister of this Government as to doubling the subsidy in respect of the naval squadron?

Sir GEORGE TURNER.—I said the amount had not been altered in this year's Estimates.

Mr. REID.—Surely, if the Prime Minister, in Imperial Conference, agrees to submit such a proposal to this House, the Government are pledged to place the amount required on the Estimates of public expenditure. If the Government are bound to insert items in connexion with a probable expenditure on a post-office, surely if they have entered on an undertaking to submit to Parliament a proposal in reference to the naval squadron, provision ought to be made for it in the Estimates. The Estimates are not an account of money actually spent; but should be a faithful statement of the money which is to be expended during the next twelve months. The fact that the Government have not put a sum on the Estimates days or weeks after they have committed themselves to the item at the Imperial Conference—

Sir WILLIAM LYNE.—That has not been done.

Mr. REID.—Oh, indeed! Then it is not the case that the Prime Minister agreed that the Government of the Commonwealth would submit such a proposition to Parliament. It is a most undesirable state of

affairs that the interests of the Commonwealth should have been dealt with in a conference, and that we in this Chamber should be absolutely ignorant of what has been done. We must be a singularly tame body of representatives of the people if we do not resent the secrecy which is observed in reference to these proceedings. Is it not a fact that some decision was arrived at?

Mr. WARSON.—When the right honorable member went to England as a Premier we had to wait until he returned for information.

Mr. REID.—May I suggest that when in England I took up an attitude which did not compel me to submit such propositions to the Parliament of New South Wales? If the Government have committed themselves to an obligation to the Imperial Government, they ought to let this Parliament know what that obligation is—what they have agreed to submit to this Parliament.

Mr. MCCAY.—We do not know that anything has been done.

Mr. REID.—No doubt obedient supporters of the Government will say that they do not know what has been done, and, if they dared, they would say they do not want to know. That is not the attitude that fair-minded representatives of the people should take up. What was done at the conference does not affect merely the Prime Minister or the Government. The authority which enabled the Prime Minister to appear there was that given to him as the delegate of this Parliament and the Commonwealth. That was an authority exercised by virtue of his position as head of this House, and only that authority enabled him to negotiate in the name of Australia. I am not now making any unreasonable request. I asked the Acting Prime Minister this afternoon if he could give us any information as to any decisions arrived at by the Imperial Conference, and he could not; but he referred me to the newspapers, and said the Government were in possession of some additional details. But are we to receive our information partly from the newspapers and partly from Ministers? Is it not right that we should have a proper statement from the Government as to what are the obligations into which they have entered? I do not want to discuss the merits of any such obligation until the question is properly submitted to us. But if there has been an arrangement entered into on behalf of the Government to submit any item of expenditure to this House, that

item ought to be included in the Estimates for the next twelve months. The Estimates are not a statement of our probable obligations, that is, if the Government intend to stand by what has been done by the Prime Minister. Of course, if the Government intend to abandon any promise made, all right; but we are entitled to be told about the matter. There is another remarkable fact to which I desire to refer, and I particularly desire the attention of the Treasurer and the Acting Minister for Defence to it, because an answer to the question I am about to ask may save a great deal of trouble. Do the Treasurer and the Minister for Defence tell us that on these Estimates to-day a reduction of £175,000 has been effected in the military expenditure for the year?

Sir GEORGE TURNER.—Nobody said so.

Mr. REID.—I should think not. But what is the meaning of the expression as to the saving of £175,000?

Sir GEORGE TURNER.—I said that the Estimates this year are £175,000 less than the Estimates for last year, and that the promise made by the Minister for Defence was that a reduction of £131,000 would be effected.

Mr. REID.—I want to point out how that £175,000 is made up. I could not understand, and neither, I think, could any member of the House understand, the statement made by the Treasurer that there is a reduction of £175,000. I was favoured with an advance copy of the Estimates which were laid on the table this afternoon, and I naturally turned to see how the £175,000 was arrived at. I find at page 132 of the Estimates that the total amount provided for the current year is £762,014. Against that the total estimated expenditure—

Sir GEORGE TURNER.—No; the actual expenditure. I compare the Estimates for this year with the actual expenditure for last year.

Mr. REID.—I thank my right honorable friend. I find set against that proposed expenditure of £762,014 a statement setting forth that the actual expenditure for the year 1901-2 was £826,012, which shows a reduction of some £64,000.

Sir GEORGE TURNER.—My right honorable friend is unconsciously falling into a mistake.

Mr. REID.—I do not wish to make any mistake.

Sir GEORGE TURNER.—The promise made by the Minister was that he would reduce

last year's estimates—not the amount of last year's expenditure—by £131,000. We have made a reduction in excess of that amount by £44,000.

Mr. REID.—I regret that a man of the worthy reputation of my right honorable friend should make such a statement.

Sir GEORGE TURNER.—It is absolutely correct.

Mr. REID.—I have referred to the Treasurer's own statement, in order to see how this saving of £175,000 is made up. When listening to the right honorable gentleman's speech a few minutes ago, honorable members believed that a saving of £175,000 had been effected in the estimated or actual annual expenditure upon the defence forces. Would any one have drawn any other conclusion? I propose now to turn to the printed statements—and these statements are sometimes inconvenient as well as voluminous—which my right honorable friend laid upon the table when he delivered his Budget speech on the 8th October, 1901. Before I quote from those statements, I desire to follow up this matter a little further. I have before me the Estimates for the year ending 30th June, 1902, which were laid upon the table in April last. Those Estimates apparently show a total of £937,000, as being the expenditure of the Defence department for the year 1901-2. If we take the £762,014 set forth in the Estimates laid on the table of the House this afternoon, we see an apparent reduction of £175,000, because if we deduct £175,000 from £937,000, we have a balance of £762,000. I come now to a document which discloses a puzzling state of affairs. If honorable members will turn to page 12 of the smaller series of returns issued by the Government in connexion with the Budget speech delivered on the 8th October, 1901, they will find this heading:—

Statement showing the estimated balance to be returned to each of the States under sections 89 and 93 of the Commonwealth of Australia Constitution Act.

To get at that statement the total revenue from all the departments is given, and is set down at £10,339,750. The expenditure which had to be defrayed out of this revenue during the twelve months ending 30th June last is also given, and in that statement the expenditure for the Defence department is set down at £727,232.

Mr. L. E. GROOM.—And all the arrears.

Mr. REID.—I hope the honorable and learned member will not interrupt me, for I might seem to be misleading the committee if I were to stop in the middle of a sentence. Above the line "Defence department, £727,232," we have another item "Auxiliary Squadron, £106,000," which must fairly be added to that amount, because it is properly included in the Defence Estimates. That makes a total of £833,232, not £937,000. I come now to the root of this remarkable saving of £175,000. In the same statement, but under the heading of "Arrears for period ending 30th June, 1901"—a previous year altogether—a sum of £103,472 is set down for the Defence department. That amount is included in the Estimates for 1901-2 as if it were part of the total for the twelve months, when as a matter of fact it belongs to a previous year. That is a nice kind of financing.

Mr. JOSEPH COOK.—A sort of confidence trick.

Mr. REID.—By the Treasurer's own statement, the assertion that the expenditure for 1901-2 amounted to £937,000 is absolutely wrong. It was £103,472 less than that amount. One could save millions if he proceeded in this way. I am going by the Treasurer's own statement, and if it is wrong it is not my fault.

Sir GEORGE TURNER.—The Budget showed all the proposed expenditure for last year, and the promise was to cut down the Estimates by £131,000.

Mr. REID.—Surely honorable members did not expect that it would be necessary for them to delve into these figures in order to see that this £103,472 was a myth? Surely we have a right to expect some better treatment than that? I shall not say anything more about it now. I have all these Estimates. I have followed out all these figures from first to last, and I say that, according to the Treasurer's own showing, the statement as to a saving of £175,000 in the Defence department—I do not wish to characterize it by any harsh term—has the effect of absolutely misleading any one who does not look up the figures for himself. If the Government bring down Estimates of Expenditure for a year, it is no credit for them to say, after their tail has been twisted in committee—"We can reduce these Estimates by £175,000." What do the public expect from a Ministry—a

competent Ministry? They are not so well off that they can have expenditure piled up upon them when it is unnecessary—especially in connexion with the Defence department—and it is no credit to the Ministry to solemnly submit Estimates as being the most economical they can frame, and then, when the whip is applied by a majority in committee, to say—"Oh, yes; we will take off £131,000," and next year to practically reduce the expenditure by £175,000.

Sir GEORGE TURNER.—Does the right honorable member say that his assertion as to the saving of £175,000 is correct?

Mr. REID.—I am quoting the Treasurer's own statement.

Sir GEORGE TURNER.—The right honorable member should look at the Estimates in front of him.

Mr. REID.—The right honorable gentleman should look at his own statement as I am doing.

Sir GEORGE TURNER.—I do not care what the right honorable member is looking at. I say that he has made a mistake.

Mr. REID.—What could I do other than send for these official papers?

Mr. PAGE.—The right honorable member is on the right track.

Sir GEORGE TURNER.—No; he is all wrong.

Mr. McCAY.—The right honorable member should investigate the facts before calling men liars.

Mr. REID.—I do not think my honorable and learned friend should use such a word. He should not import such vulgar language into the debate.

Mr. McCAY.—That remonstrance comes well from the right honorable member.

Mr. REID.—I have been studiously endeavouring not to use any offensive terms. I suppose the time has not yet gone by when a man may criticise the actions of the Government without incurring censure. I imagine that we are here for that purpose. If the Treasurer can show that I am wrong, he will have to admit that his own statement is inaccurate.

Sir GEORGE TURNER.—The right honorable member should look at the Budget papers in front of him.

Mr. REID.—According to this statement, which was prepared by the Treasurer—

Sir GEORGE TURNER.—It was probably prepared for some other purpose.

Mr. REID.—Does the right honorable gentleman make different statements for different purposes?

Sir GEORGE TURNER.—I do not.

Mr. REID.—Here is the quotation—

Arrears for period ending 30th June, 1901, viz., Department of Home Affairs, £10,146; Trade and Customs, £5,127; Thursday Island, £5,100; King George's Sound, £2,334; Defence department, £103,472—

Sir GEORGE TURNER.—I shall get the papers presently.

Mr. REID.—There is print for it. Does the right honorable gentleman suppose that I got this printed for my own special purpose? He suspects one of getting in some mysterious way 100 pages of printing done, in order to bring out some mare's nest.

Sir GEORGE TURNER.—The mare's nest is in the right honorable member's own imagination.

Mr. REID.—I only give the right honorable gentleman what I see in his own statement, which I trust implicitly.

Sir GEORGE TURNER.—That statement is perfectly correct. The arrears are not included. If the right honorable member will add up the items and add the arrears, he will find that it will come to more than he has mentioned.

Mr. REID.—All I can say is that the £103,000 is included in the £937,000, so far as I can see.

Sir GEORGE TURNER.—I am afraid the right honorable member does not see far enough.

Mr. L. E. GROOM.—The right honorable member is quite right in asking the question.

Mr. MAUGER.—That is so, but that is a different matter from abuse.

Mr. REID.—Upon my word, I think we are becoming a little too mealy-mouthed in this Chamber. What does the honorable member expect? I have been away for months, and when I think I am entitled to have five minutes here there is as much ill-feeling as if I had been goading this unfortunate Government every day of my life. All I can say is that, from the statement which I have in my hand, and which is a public document, it seems to me that the £937,000 includes the arrears of the previous years.

Sir GEORGE TURNER.—Will the right honorable member give me the items which he says make up the £937,000.

Mr. REID.—I can give the items from this return. I am putting in all the items I can see. I do not know what the items should be, as I am not in the Treasury. I find an item of £727,000. I see an item for the Auxiliary Squadron, which I believe ought to be included in the total military defence vote. I make the addition; that makes £833,000. Now I see a reference to arrears on the 30th June, 1902, £103,472.

Sir GEORGE TURNER.—What about "other expenditure"? There is £49,000 for other expenditure, and there is an amount for Thursday Island.

Mr. REID.—The amount for Thursday Island is not included in the defence estimates. It is put under a separate heading. I was very careful to look at that.

Sir GEORGE TURNER.—The amount for Thursday Island is included in the £937,000.

Mr. REID.—No, it is a different item altogether. In any case, the amount for Thursday Island is only £5,000, and that cannot affect the matter very much.

Sir GEORGE TURNER.—The right honorable member may take my word for it that he is wrong.

Mr. REID.—If my right honorable friend's attention has been drawn to this matter, and he has gone into it, and gives me his personal assurance that I am wrong, even in the face of this document, and in spite of it, I shall accept his assurance, such is my confidence in him.

Sir GEORGE TURNER.—The right honorable member left out "other expenditure," and a number of other items.

Mr. REID.—I say that I have such implicit confidence in the Treasurer that I am prepared to take his word against his own printed statement. I should take it at any moment against all the printed returns in the world. But I then ask the right honorable gentleman what is the dilemma in which he places himself so far as the public are concerned? He is in a worse dilemma than before. We now find that if this House will squeeze the Government enough they can reduce the expenditure in one department by £175,000. Is that what the Estimates of Expenditure of a Government are intended to be? Are they to depend entirely upon how we take them? If we take them as they are, it is all right; but if we do not take them, the Government will set to work and

turn everything upside down and save £175,000 on one vote? As a matter of fact, they appear to have liked their whipping so much that they bettered their instructions. They were not asked to save £175,000, but they got so fond of that sort of thing that they grovelled a little more. Honorable members will recollect the indignation of my right honorable friend the Treasurer, and the remark he made at the time, which was heard by more than one, as to what his action would have been if he had been in a more responsible position. He showed what he thought of the way in which the Government were being treated. The committee insisted upon a reduction to the extent of £130,000, and the Government liked the instruction so much that they have gone further by another £40,000. Either that has crippled our military defences—

Mr. CROUCH.—It has.

Mr. REID.—Or it has been a proper economy. To cripple our military defences, at the dictation of a majority in a committee, is an act that no responsible Government should be guilty of. We have spent too many millions upon these military defences to have them reduced to a state of inefficiency because the Government have been frightened. They should try a turn of frightening the other fellow. When they found they were getting fond of being frightened, they should have tried to frighten their supporters a little, and they would have come round. If I had been in their place I should have given my supporters a little of what they gave Ministers, and they would have come round right enough. From a public point of view, I say that it must lead to a profound want of confidence in the financial strength and discernment of this Government, to find that whereas they put forward defence estimates in which they asked for £937,000, as being necessary in bad times, they now tell us that they have reduced that amount by £175,000. Will they tell us that the military service is in an efficient state, in spite of that reduction? If they do they condemn themselves as having sought to spend an enormous sum of public money upon military display, and not upon military efficiency.

Mr. CROUCH.—The fact remains that efficiency is not maintained.

Mr. REID.—If that is so, the position is still worse. As I said in opening my remarks, I have the most absolute confidence

in the Treasurer. This is not a moment of to-day, because the way in that right honorable gentleman manages the finances of Victoria during a trying time has always extorted my admiration again that I would take his word for all the documents ever published. I can say is that this return is very interesting. I do not desire to go into matters connected with the financial arrangements at this time. But I say to the Acting Prime Minister, in face of the honorable members, to let us know we go any further, what obligations the Government have entered into with regard to the naval squadron?

Mr. DEAKIN.—None as yet.

Mr. REID.—Are we to understand the Government do not intend to enter any during the next twelve months?

If that is so the Estimates are all right.

Mr. DEAKIN.—Hear, hear.

Mr. REID.—Then I am asking because I do not ask the Government to provide anything in the Estimates for the next twelve months if they do not intend to submit any proposition during that time. Though I am perfectly satisfied with the assurance of the Acting Prime Minister, I would still ask the honorable gentleman whether, apart from that, there is anything which we are entitled to know?

Mr. DEAKIN.—If I have anything to say to the right honorable gentleman should say it.

Mr. REID.—If the honorable gentleman has "anything else?" But surely he has means of getting information? Surely the Acting Prime Minister is not like a man in the street, that he cannot get information about his own Government?

Mr. DEAKIN.—The right honorable member asked me a question with reference to information which we had.

Mr. REID.—I should like to know what the Prime Minister agreed to at the conference as it affects the Commonwealth of Australia. We know that he has committed us to anything, but I should like to know what he has agreed to as to what is to be submitted to us, because the speech affords a legitimate constant opportunity for the consideration of such matters. If the Acting Prime Minister can give us that information it will be highly satisfactory to me. I am perfectly well aware that we are

bound in any way by what has been done, but a Government, and I do not care what Government it is, cannot be held too strictly to the duty of informing members of this House of any proposals regarding matters of which we have constitutionally the oversight. I shall defer reference to other points until Thursday.

Sir GEORGE TURNER.—I have no intention now of replying to my right honorable friend the leader of the Opposition. I think that upon calmer consideration, and upon looking further into the figures, he will find that he has imagined something that really does not exist. I shall say only one word with regard to the saving in the Defence department. When I brought down the defence estimates originally, I said there was great difficulty in preparing them, but I thought they were far and away too high. I said I had no doubt that they could be considerably reduced. My only difficulty was that I did not desire to begin cutting them down in my own way until the Commandant had arrived. The Minister for Defence did go into the matter thoroughly, and he saw his way to reduce the expenditure, and more credit to him for doing so.

Mr. REID.—Hear, hear. We do not object to that at all.

Sir GEORGE TURNER.—He found that the Estimates provided for expenditure which was not necessary.

Mr. BROWN.—Then what was the right honorable gentleman doing when he submitted them?

Sir GEORGE TURNER.—I take the responsibility of submitting them. I say that, seeing the work we were doing then in the preparation of the Tariff, the great difficulty we had in investigating the Estimates, and the want of knowledge which necessarily prevailed amongst us with regard to a number of the States and their requirements, we had to submit Estimates which, if we had had fuller opportunity of investigation, we should never have submitted. We had to depend a great deal upon the estimates we obtained from the various States as to their then expenditure. If I had had an opportunity of going thoroughly into them and investigating them, the Estimates, when presented to this House originally, would have been less than they were. At the time, I told honorable members that the expenditure

would, in all probability, be reduced. We did reduce it in every way possible.

SUPPLY BILL (No. 12).

Sir GEORGE TURNER (Balaclava—Treasurer).—I move—

That a sum not exceeding £1,365,597 be granted to His Majesty for or towards defraying the services of the year ending 30th June, 1903.

Honorable members will recollect that I got two months Supply on the basis of the old Estimates. I am now asking for four months Supply, and that is necessary because the Estimates are now prepared in an entirely different form. The numbers and divisions are altered, and my Supply Bill could not possibly be worked in with the existing Estimates. To carry out this, I am, therefore, in the Bill I propose to submit, repealing the Supply Bill already passed, and I am asking the House to grant four months Supply, covering the two months we have already dealt with, and the two months of September and October.

Mr. CONROY (Werriwa).—I think we ought to object to this motion, because we gave the Treasurer ample notice that if he continued asking for these Supply Bills we should not help him in any way whatever. We must remember that the financial year closed on the 30th June last, and the Estimates are being brought before us nearly three months afterwards. Surely if he had been looking forward, as any prudent man would have been, the Treasurer would have known what the expenditure would be long before the 30th June? He would have done as any other Treasurer ought to have done—although this has not been usual in Australia, I regret to say—and would have put the Estimates of the year's expenditure on the table of the House before the financial year commenced. That is one of the reforms which I wish to see brought about. Last year we had the spectacle of the Estimates being considered ten months after the financial year had begun, so that when we dealt with the defence estimates we were in the position that the whole of the money had been expended, and that Parliament had entirely lost control. However, as the leader of the Opposition has seen fit to consent to the course proposed by the Government, I shall content myself with recording my protest.

Question resolved in the affirmative.

Resolution reported.

Resolved (on motion by Sir GEORGE TURNER)—

That the standing orders be suspended to enable all steps to be taken to obtain Supply, and to pass a Supply Bill through all its stages without delay.

Resolution adopted.

Resolution of Ways and Means, covering resolution of Supply, adopted.

Bill presented, and read a first and second time.

In Committee:

Clause 1 (Issue and application of £1,365,597).

Mr. REID (East Sydney).—Perhaps the Treasurer may be able to tell me if the Bill includes an item in connexion with the proposal to appoint experts to report on federal capital sites?

Sir GEORGE TURNER.—Yes; an item of £1,000 to cover expenses in connexion with choosing the site of the capital of the Commonwealth.

Mr. REID.—I wish it to be distinctly understood, that in passing this item, the committee are not to be taken to have approved of the proposal to appoint a committee of experts.

Mr. WATSON.—It should not be included in a Supply Bill; it ought to be voted on the Estimates.

Mr. REID.—We are practically voting the money, and the Government might fairly complain if we should afterwards take exception to the proposal.

Sir WILLIAM LYNE (Hume—Minister for Home Affairs).—The money is to be used in that way—partially, at any rate. I said to-night that I had intended to bring up this matter on a specific motion, and I think on further consideration, that though I did not give notice of a motion this evening, it will be better to take that course.

Mr. REID.—We could deal with the proposal on this item, but it would not be fair to honorable members.

Sir WILLIAM LYNE.—I find that there are honorable members who wish to move the addition of one or two places to the list of sites, and that question cannot be discussed on an item in the Estimates. In order to be fair to those honorable members, I propose to give early notice of the motion which I read to-night, and a discussion can then take place on the question of whether or not experts should be appointed.

Mr. REID (East Sydney).—With that and explanation, I do not

wish to offer any opposition to the Bill, as it is understood that the mere fact of its passing will allow the item to pass is not to be taken as expressing our approval of the appointment of a committee of experts.

Mr. WATSON (Bland).—On every occasion the Treasurer has drawn attention of the committee to any special item in a Supply Bill. In my opinion it is proper to include any special items in the Bill when the standing orders have been suspended to enable the Treasurer to provide for the requirements of the Service, pending the passage of the Bill. I notice in this Supply Bill an item of £500 to cover the cost of compiling and publishing a new edition of the *Colonies of Australasia*.

Sir GEORGE TURNER.—That is correct, and the next item is a re-vote.

Mr. WATSON.—I was not aware of that.

Sir GEORGE TURNER (Bland).—I owe an apology to the committee. My practice is to point out special items, but my attention has been drawn to the form of the resolution of the committee of Ways and Means, and to refer to four special items in the Department of Home Affairs. We take for the arrears—which, of course, are to be paid, and increases are to be paid under an estimate, until they have been finished with on the Estimates. Honorable members will observe an item of £8,000 for conveyance of members of Parliament and others. In the various States the commissioners are anxious to get the statistics at the beginning of the year. The £500 for a new edition of the *Colonies of Australasia*, and the £100 to defray the cost of the tabular customs statistics are re-votes. The other special item is that of £1,000 to the federal capital site.

Mr. JOSEPH COOK (Parramatta).—The Treasurer ought to tell us whether the item of £1,000 has been expended.

Sir GEORGE TURNER.—No.

Mr. JOSEPH COOK.—Why should we be asked to vote the money without knowledge of the policy of the Government regarding this important question, saying a number of other things in the Bill, and vaguely, the Minister for Home

told us to-night that he thinks that he will give notice of a specific motion. He told us three weeks ago that he was going to submit the question definitely to the Cabinet. We understood that he was going to appoint these experts as early as he conveniently could. He does not say now that he is going to appoint experts, and he does not know yet what is going to be done. He proposes to allow the House to decide for him. This question has been trifled with for the last six months in a way that does not do him any credit. During that period he has told many stories concerning the selection of a site. At every week end, when he goes over to Sydney, he has an interview with the press, and he leads the people of the State to believe that he is engaged in a death struggle with his colleagues over this very important question. But to-night we find that he has put no definite proposition before the Cabinet. He does not know what he is going to do, and he only decides to-day that he thinks he had better to-morrow take some definite steps to bring forward the question, and let the House decide it for the Cabinet. Here is another instance of the way in which responsible government is carried on in the Commonwealth. We hear a great deal about the restoration of responsible government in Victoria. A tonic of that kind would do the federal Ministry no harm, especially in the determination of this federal capital question. I have been referring to the Minister's last statement on the subject in *Hansard*. On that occasion he definitely told the House that he was going to consult his colleagues at the next Cabinet meeting, but we find to-day that he has done nothing of the kind. An expenditure of £3,000 was authorized four months ago, and the experts were to be appointed immediately afterwards. After feeling the pulse of the House once more, the honorable gentleman says that he thinks he had better consult the House to-morrow as to what ought to be done. That will come as a bitter disappointment to the people of his State, who have been led by the honorable gentleman to believe that the question has been discussed and re-discussed in Cabinet, and that if he had had his way, it would have been settled long ago. He ought by this time to know what he is going to do. When the visit of inspection was to be made, he told us more definitely than he has done to-day what he was going to do. At that time

his policy was a clear one, but ever since it has been growing more and more nebulous. The newspapers here keep tilting at this question of the federal capital, and asking that the seat of government shall remain in Melbourne, and the Minister seems to be succumbing to their influence. It is time, therefore, that the Minister for Home Affairs made up his mind upon the subject. If he cannot do so, he had better put an end to these weekly interviews in Sydney.

Sir WILLIAM LYNE (Hume—Minister for Home Affairs).—I shall not allow the occasion to pass without replying to the vicious and uncalled-for statements of the honorable member for Parramatta—statements and insinuations which were evidently made for the purpose of getting paragraphs inserted in the Sydney press.

Mr. JOSEPH COOK.—We do not get interviewed every week, as the honorable gentleman does.

Sir WILLIAM LYNE.—If the honorable member for Parramatta had done one-tenth of what I have done to further this cause, he might have been justified in making the speech which we have just heard, and in writing the letters which appear weekly in the Sydney press complaining, amongst other things, that the Ministry have set down the Albury site for consideration. I regret that the Constitution does not require that this matter shall be dealt with as quickly as possible; but we must conform with its provisions, and I would point out that, even if a body of experts had been appointed, and had investigated the qualifications of the various sites, the question would not have been advanced beyond its present stage, because it must be patent to every one that it could not have been dealt with this session. It will not be ripe for dealing with until a body of experts has inquired into the qualifications of the various proposed sites.

Mr. JOSEPH COOK.—There is no prospect of the matter being dealt with next session.

Mr. PAGE.—Why do honorable members want to move from Melbourne?

Sir WILLIAM LYNE.—It is the intention of the Government to appoint a body of experts to inquire into and report upon the various proposed sites. The report will be ready when the House meets again, during next autumn, I hope, and armed with it, and with the information gained during the visits of inspection by senators

and by members of this House, we should then be able to deal finally with the matter. It must be understood that I shall not allow experts to decide the question of policy connected with the location of the federal capital. That is a question for the Ministry and for Parliament to deal with. The experts will be asked merely to inquire into the suitability of the various sites, and to report upon them. The honorable member for Parramatta is not one of those who has helped to further the settlement of this matter, or who has assisted me to bring it to a head more quickly. He has rather caused delay and obstruction in connexion with it. Had he and certain other representatives from New South Wales assisted me heartily, I should have had an opportunity to deal with it more rapidly.

Mr. JOSEPH COOK.—The honorable member is saying what is not true, and he knows it.

The CHAIRMAN.—The honorable member must withdraw that statement.

Mr. JOSEPH COOK.—I withdraw it, and substitute for it the statement that the Minister ought to know that what he is saying is absolutely incorrect.

Sir WILLIAM LYNE.—I did not take any notice of the honorable member, because I am quite accustomed to his interjections.

Mr. JOSEPH COOK.—The Minister made the same untruthful statement to the representatives of the Sydney press the other day.

Sir WILLIAM LYNE.—I generally laugh at what the honorable member says. When he was attacking me he could not help laughing, and I knew that he was speaking for the purpose of securing a little notice in the Sydney press. The honorable member said that I had not made up my mind, and that I did not know what to do. I think the honorable member is aware that that is not quite correct. He should have known that this matter has been under the consideration of the Cabinet more than once, and that as the outcome of their deliberations it has been decided that a certain number of sites shall be reported upon by experts.

Mr. JOSEPH COOK.—What sites? The Minister stated that they were all to be reported upon.

Sir WILLIAM LYNE.—The honorable member is quite wrong. I stated this evening, when a question was put to me, that I

intended to give notice of a motion. It was thought that we could economize time by allowing the discussion upon the proposal to appoint experts to report upon the capital sites to take place in connexion with the Estimates. Since then, I have been spoken to by several honorable members who desire to add one or two sites to those which have already been selected for report. In deference to their wishes, and in view of my statement that I would submit a proposal if it were desired, I intend to give notice of the motion which I read to-day, so that the whole question may be fully discussed.

Mr. JOSEPH COOK.—Will the experts be selected before we go into recess?

Sir WILLIAM LYNE.—They may or may not be selected. If the motion is passed in time, they may be appointed before the House goes into recess; but the matter of selecting suitable experts is one in which the Government must take the full responsibility.

Mr. CONROY.—Do I understand that it is intended to ask for a vote of £1,000 at this stage?

Sir WILLIAM LYNE.—I stated that the £1,000 is required to partly defray the expenses of the inquiry, but that it would not be utilized until the motion I intend to submit had been passed by the House.

Mr. CONROY (Werriwa).—It is evident that we shall be within a week of the end of the session before the necessary money is voted and experts can be selected. The experts will occupy two or three months in making their examinations and inquiries, and another two or three months must elapse before their report can be presented to Parliament. The report cannot be ready before next May or June, when it is expected that both Houses will re-assemble. In view of this and of the fact that the selection of the site has been so long delayed, I shall ask the House to pass a motion in favour of the elimination of those words in the Constitution which restrict us in our selection of a site for the federal capital. If each House of the Parliament, by a majority, expressed itself in favour of the amendment of the Constitution, the whole question could be submitted to the people within six months afterwards, and we could ascertain the public feeling regarding it. This could be done without expense, as the elections for the Senate must take place not later than December. It must

t to every one that a mistake when the Constitution was as to prevent the selection of a federal capital within 100 days.

E. GROOM.—Would the honor-earned member be in favour of Parliament an absolutely free selection of a site?

NROY.—In view of the bargain made with New South Wales, I think the site should be somewhere else, but that there should be no limit to the distance from Sydney.

MR.—Why not select a site on the Murrumbidgee River?

NROY.—Kurringai Chase, on the Murrumbidgee, would make an excellent site for the federal capital. If the House itself is in favour of the amendment of the Constitution in the way I have suggested, it should be much nearer the selected site than if we went on as at present. Supposing that a site were chosen, could we obtain the money with which to build the capital? Sydney and Melbourne are the two great cities of Australia. Parliament must meet at some place in easy reach of these centres. If the suggestions I suggest were adopted it would result in an immense saving of money to the community generally. I sincerely hope to do anything with the erection of the federal capital at the next general election, because we have the money available for the purpose.

MR.—The Treasurer tells us we have £1,000,000 surplus this year.

NROY.—We shall be going into recess for three weeks, and we cannot receive the report from the experts at the next session. We shall not meet again in May or June next, and it is likely that any action will be deferred until the next session. I regard to the federal capital the close of next year. The adoption of my suggestion will involve no loss of time. Personally, I have entertained the opinion that the federal capital ought to be located in New South Wales. I trust Parliament re-opens next session and will see their way clear to give honorable members a free choice in the selection of a site.

If they do so, I feel convinced that a site will be selected within easy reach of the New South Wales capital.

Mr. McDONALD (Kennedy).—I certainly share the view that there has been an unnecessary delay in the selection of the future federal capital site. In support of my contention, I would point out that four or five months have elapsed since the parliamentary inspections of what were regarded as eligible localities. It is perfect nonsense for the Government to tell honorable members that in the interim it has been impossible to obtain experts to report upon the respective claims of the rival sites. There has been ample time, not only for the appointment of a board of experts, but for their report to have been laid upon the table of the House. This is a matter which should have been dealt with at the earliest possible opportunity. The Government should have assumed the responsibility of narrowing down the choice of the sites already inspected to two or three. Certainly we should not be warranted in expending money to obtain expert opinion upon more than four of them. As matters stand, it is probable that the board of experts will not be appointed till a month or two after Parliament has gone into recess. Consequently next session will have opened before we are in possession of their report. As the general elections take place next year, honorable members will naturally be desirous of getting to their constituencies as early as practicable, and, as a result, the consideration of that report will be again neglected. It seems likely, therefore, that the term of the first Commonwealth Parliament will pass without any definite action having been taken in this connexion. The Government appear to be very reluctant to touch the question, although it certainly ought to be above all party considerations. I trust that it will be dealt with in that spirit. I protest against the unnecessary delay which has taken place.

Mr. G. B. EDWARDS (South Sydney).—I should not have risen but for the statement of the honorable and learned member for Werriwa, who claims that his opinion is shared by a large number of legislators. I hold that he is entirely upon the wrong track. The adoption of the course which he advocates, instead of expediting a settlement of this question, would retard it indefinitely. The only reason for urging its speedy determination is a sense of loyalty to the Constitution. The adoption of the suggestion that a referendum should

be taken with the object of amending the Constitution would be quite as disloyal to that instrument of government as would any shelving of the question by indefinitely postponing its settlement. I hold that the Government propose to adopt an eminently proper course. No better method of securing its determination could be devised. But I blame them that the necessary action has not yet been taken. If the Minister for Home Affairs had asked Parliament some months ago to narrow down the eligible sites to about five, with a view to obtaining expert opinion upon them, and that opinion had been received, it would not have been more than a week before the House would have been in a position to come to a decision upon this matter. I do not agree with the honorable and learned member for Werriwa, nor with certain press organs, that the construction of the federal capital will involve an outlay of untold millions sterling. If I entertained that view I should be in no hurry to see the site selected, but by nursing the territory upon which the capital will be located, as well as the surrounding country, I hold that for a small initial expenditure we can establish a model city. We should not be deterred from settling this matter by financial reasons. I trust that the Minister for Home Affairs will submit a motion in the direction I have indicated at the earliest possible moment. Let us confine our attention to five sites, and secure expert evidence upon their eligibility. Undoubtedly in New South Wales and in the other States the feeling is growing that the Government are shelving this matter, and the only way to remove that impression is by proceeding upon the lines I have suggested. I trust that the cry for an amendment of the Constitution will not be raised before we have given that instrument of government a fair trial. I am satisfied that, with the exception of the financial provisions which will expire in a few years, experience will reveal that it will meet all our requirements. The very highest spirit which we can develop amongst the people of the Commonwealth is that of loyalty to the Constitution.

Mr. THOMSON (North Sydney).—I desire to say only a very few words upon this question, because I recognise that this matter can be dealt with when the motion is submitted. I endorse the statement of other honorable members, that since the inspection

of the sites there has been unnecessary delay. I do not think the Minister is to blame for that, but if not he, the Cabinet is to blame. There have been opportunities to appoint a committee, which should not be at its work. But I recognise the delay, and that a committee, unless limited, might take such a long time over an inquiry as to render its report quite useless to this Parliament; and that is a result we ought to avoid. I understand that the motion which it is intended to submit will deal with the appointment of a committee, as well as with the question of the sites.

Sir WILLIAM LYNE.—The motion is in accordance with the principle of appointing the committee, but does not name the expert who is to be appointed.

Mr. THOMSON.—The motion will provide the appointment of a committee to examine certain sites.

Sir WILLIAM LYNE.—Yes.

Mr. THOMSON.—Then I suggest that the time limit ought to be fixed. We should provide for the presentation of the report, say, before the opening of next session.

Sir WILLIAM LYNE.—I should suggest next April.

Mr. THOMSON.—It is highly necessary that a date should be fixed, otherwise the inquiry might be so lengthened as to keep the whole matter till the next Parliament, thus rendering useless all the expenditure incurred in this connexion by the present Parliament.

Mr. DEAKIN (Ballarat — Attorney-General).—In answer to one or two suggestions, I wish to say emphatically that there is absolutely no difference of opinion in the Cabinet on this question. The Minister for Home Affairs will testify that his colleagues have at once approved every suggestion he has made. The object of the Government is to have the question of the federal site finally dealt with by the present Parliament. But I can assure honorable members that the consideration of various questions, such, for instance, as the employment of experts, is of such moment that to occupy their own knowledge they have occupied the Minister for Home Affairs at such times as he could spare ever since the inspection of the sites by honorable members. To my knowledge he has been inundated with applications from all over Australia by persons claiming to be qualified; and as this is to be an Australian commission, it has been necessary to make exhaustive inquiry with regard to

applicants. I am also aware that the Minister for Home Affairs has been collecting information of every kind that can be placed in the hands of the experts, with a view to facilitating their task; that information, so far from representing time and labour thrown away, will materially accelerate the progress of the inquiries of the expert commission. I cordially concur in the suggestion made by the honorable member for North Sydney, that a period should be placed to the inquiries of the expert committee. It will be necessary to pay its members, and to pay them well. They should give their whole time to the work, and be prepared to submit an exhaustive report by the date suggested. I am as hearty a supporter of the Constitution in this particular as is the member for South Sydney, and agree with that honorable member that the provision made in the Constitution, whether wisely or unwisely, is the one to which we should adhere and give effect. I think every one of my colleagues concurs that the earliest possible selection of a site is what we should strive for. We undertake not to throw the slightest obstacle in the way, but, on the contrary, to assist in the selection. In my opinion, this Commonwealth will not enjoy that entire independence of provincial influences which is to be desired until the Parliament is housed in its own buildings on its own territory. As to the expenditure, my idea is that all the provision needed for some time will be purely of a temporary character. The conception of a great city built of permanent material and of magnificent architectural design and proportions being constructed before we enter on our work there is to me preposterous. The Commonwealth cannot afford to construct a palatial capital at once. The desire of the people has been for the selection of a site controlled in such a manner that it may, so to speak, pay for itself. There is certainly no need for us to delay our transfer until the magnificent and luxurious accommodation has been provided for us that some people have been pleased to picture. I hope that in the course of generations the Australian people, like the American, will be able to possess a capital city which will win the admiration of the civilized world. But even the Americans, with their immense population and vast resources, have taken more than 100 years to partly accomplish their task. We may safely leave it to future

generations to provide a federal capital worthy of, and characteristic of, this great Commonwealth. Our concern now is to acquire at the earliest reasonable time, after we have satisfied ourselves that we have made the best selection in our power, a site on which temporary buildings may be erected in economical fashion to provide for what I trust will be the short sessions of the future. We shall then, I hope, devote the session uninterruptedly to legislation, and having accomplished the business set before us, those who then represent the people may be able for the rest of the year to keep in touch with the parts of this great continent by which they have been returned. To many present members that has been rendered impossible by our prolonged sittings. They have, after eighteen months' absence from their homes, ceased in a sense to be representatives, having lost that intimate association with their districts which is so desirable for both representatives and constituents. For every reason, therefore, it appears to be desirable that we should hasten, as far as we reasonably can, the selection of a site where the Commonwealth Parliament entering its own home, may be master in its own House, prepared to accommodate itself in buildings, no matter how plain and inexpensive, so long as they fulfil the purposes for which they are intended.

Mr. BROWN (Canobolas).—I presume that we shall have another opportunity to discuss this matter more in detail when the motion, which has been referred to, is submitted. I must say, however, that I think the Acting Prime Minister was well advised in making the remarks to which we have just listened, and in placing the position of the question fully before the electors, not only of New South Wales, but of the Commonwealth generally. There has been a considerable amount of delay, and some suspicion has been created; but I think the declaration of the Acting Prime Minister will do much to remove any feelings of the kind, and bring about that proper understanding which is so desirable on an important question like this. I am glad to know from the Acting Prime Minister's utterances that the suggestion of the honorable and learned member for Werriwa—that there should be another referendum, with a view to altering the Constitution—does not meet with any sympathy from the Government. I agree

with the honorable member for South Sydney that it is our duty to interpret the Constitution as it is sent to us, and not to devise means to alter it. Any alteration which may be found necessary should come from the electors, and certainly the people of New South Wales, who are so vitally affected, should have a say on this question. The Constitution has been accepted by a majority of the electors in that State, and, so far as I am aware, there has been no movement in favour of any such alteration as that indicated by the honorable and learned member for Werriwa. Personally, I think it would be very ill-advised, on the part of this House, to try and force on the electors anything in the nature of the suggested alteration. I am very pleased to hear the declaration of the Acting Prime Minister that it is the intention of the Government to have this matter settled as speedily as possible. I agree that a good deal of useful and valuable information for the assistance of this Parliament can be obtained by means of the committee proposed.

Mr. THOMSON.—Some information has been already gathered.

Mr. BROWN.—That is so. I further agree that it is not desirable to remit to the committee the whole of the sites which have been under discussion. Only those sites which have some special claims for final consideration by this House should be investigated by the experts, and every effort should be made to have the inquiry completed in time for the question to be settled next session. In my opinion, the matter should be taken into consideration early next session, so that the House may have a reasonable opportunity of considering it in its different phases and arriving at a proper conclusion. This House has already given some attention to the matter, and considerable expenditure has been incurred in connexion with our inquiries. If the question is delayed until after next session, the probabilities are that it will not be dealt with by this House, but will be remitted to a new Parliament, and we shall not be able to bring to bear that personal knowledge which the House as at present constituted should possess as the result of its investigations. I understand that the Minister for Home Affairs proposes to deal with the question by way of motion, but I think it would be advisable for the Government to submit it

in such a way that the merits of the different sites may be reviewed by us. I also think it would be advisable for the Government to appoint the committee, or to inform the House of its proposed personnel by the end of the session. Authority should not be given to the Government to appoint the board after the session closes, so that Parliament will be debarred from criticising the appointment. I am pleased to learn from the declaration of the Government that it is not intended to enter into what some people describe as the expenditure of millions of money in connexion with the establishment of the capital. I think that the lines foreshadowed by the Acting Prime Minister are the best, safest, and the most acceptable upon which to work. Some of the suggested sites already possess the nucleus of settlement and railway conveniences which would form a suitable beginning. If one of those sites were selected, the city might be gradually built up on the lines suggested by the honorable member for South Sydney, and the territory used as a means to raise funds towards the construction of the capital. What is desirable is that at the outset the city should be properly laid out so that it may be built to design. I trust that the board of experts will be appointed before the session closes, and that it will have definite instructions to report to this House at the beginning of the next session, so that we may then be in a reasonable position to deal with the question.

Mr. PAGE (Maranoa).—If there is one quality more than another which I admire in a politician, it is that of consistency. My honorable colleague, the honorable member for Kennedy was complaining just prior to the recent adjournment of the House, of the amount of expense which an election would occasion to the Commonwealth. Now, he turns round coolly, and wants to put the State from which he comes to an expenditure of millions of money. It is idle for any honorable member to say that we should choose a site and build a federal city merely for the sake of 1,000 or 2,000 people. I have been over twenty years in the bush, and I am satisfied with Melbourne. Melbourne will remain the place of meeting of the Federal Parliament as long as my vote can assist to that end. The honorable member for Canobolas cares nothing about the expenditure of millions when such an expenditure is likely to benefit his own electorate, but when the

the honorable member for South (Mr. Poynton) was before the joined with the honorable member in pointing to the waste of which would be involved in holding ons for the Senate and the House entatives on different dates. Where nsistency? I, for one, cannot see ne question were of such impor- honorable members from New ales would lead us to believe, one asonably expect that they would in full force when it was being

How many honopable members w South Wales are present to- Not half-a-dozen. Yet this is a of great moment to New South volving the expenditure of millions. e members from that State are ssified as long as they can get their into *Hansard* and make the people South Wales believe that they are p a fuss about the federal capital.

DONALD.—They are in a majority use at the present time.

PAGE.—That is all very well. I ng this matter in the same way as able member for Canobolas and arable member for Kennedy re- the question of the cost of the ections. Each State will have to proportion of the cost of building l capital.

DONALD.—The honorable member Queensland would have to pay mil-

PAGE.—I do not think so. At all efore the question is settled, it Queensland millions. I am not ee the State which I represent or the advantage of another. I happy and contented here. We e better off than we are now, e were meeting in a federal city. everything that one could desire. the Melbourne climate does not but if the Federal Parliament in the summer months, I shall be satisfied to remain here. I do ine that we shall be here for ession of the length of the present ope such a long session will never experienced. Of course Mr. going to jerk all the Queensland out, so that the question does not very much; but, so far as I am, the seat of government is all re it is. When we have plenty of

money—when all the States are on the up-grade, and have a few millions to spare, it will be time enough for us to begin operations. We are very good lodgers, and the people know when they have good lodgers. The only reason why I say we should remain where we are is that the forming of a new capital may involve an expenditure of millions. Every one knows the position of Queensland. It is suffering from over-legislation, from drought, and from too much "tick"; in fact it is chronically insolvent at the present time.

Mr. L. E. GROOM.—The *Courier* says that it was never in a sounder financial position than it is to-day.

Mr. PAGE.—I am sorry to say that during my travels in Queensland a month ago I saw some stations, as well as many selections, which had been abandoned. If that indicates solvency I am sorry for it.

Mr. McDONALD.—That condition of affairs applies only to a portion of Queens- land.

Mr. PAGE.—The whole of Queensland is suffering from a drought the like of which it has never experienced before, and which I hope she will never see again. Nine- tenths of the pastoralists in the western parts, or practically half of Queensland, cannot pay 20s. in the £1.

AN HONORABLE MEMBER.—But Queens- land can pay 20s. in the £1.

Mr. PAGE.—Queensland will pay 20s. in £1 as soon as she gets a foot or two of rain.

Mr. McDONALD.—She is the richest State in the group.

Mr. PAGE.—That is all right, as long as the Government have the money. But they expect a deficit of something like £500,000 this year, and they have been suffering deficits for some years past.

Mr. L. E. GROOM.—But Queensland has been increasing her expenditure.

Mr. PAGE.—That does not alter the position. Whatever it may be attributed to, the drought is really the sole cause of the trouble in Queensland. There are thousands of tons of fodder being sent in train loads to the western portions of that State every month. The stock are being depleted, and in a few months there will be no stock left in western Queensland. In the face of this, honorable members ask me to vote for the removal of the federal capital, and to take more money out of the

pockets of people who are already overtaxed and overburdened.

Mr. JOSEPH COOK.—We do not ask that they should be taxed another penny.

Mr. PAGE.—The honorable member does ask that, because to shift the federal capital from Melbourne to any place in New South Wales at the present time means the expenditure of money, and that money must come out of the pockets of the taxpayers. If New South Wales will shoulder the whole of the burden, I shall give my vote to shift next week.

Mr. JOSEPH COOK.—Will the honorable member vote to allow the people of New South Wales to shoulder the burden?

Mr. PAGE.—No; I shall not. I do not desire to shirk any responsibility for my State, but I am prepared to vote against putting any fresh burdens upon the people of that State at the present time.

Mr. JOSEPH COOK (Parramatta).—I should like to say to the honorable member that nobody wants Queensland to pay a penny in connexion with this matter, and if the establishment of the federal capital is gone about in a business-like way, there need never be a penny taken out of the pockets of the taxpayers in connexion with it, except for most temporary purposes. The honorable member knows very well that we do not propose to part with the lands of the federal capital to begin with. If he knows anything about the growth of a big city, he ought to know that the increase of land values alone will speedily overtake the entire expense of establishing the capital, wherever it may be. I regret to hear that, according to the honorable member, Queensland is in such a terrible condition. He told us something very different about that State a month or two ago. He said he could assure this Parliament that Queensland did not want its sympathy, because she was in an admirable position. Now, he tells us that Queensland is bordering upon bankruptcy, and he does not know what will happen if the seasons do not quickly change. I sympathize with the honorable member and the State he represents to the fullest extent, but I have been rather surprised to hear him talking in the way he has done to-night. If there has been in this Chamber an enthusiastic advocate for the removal of the federal capital to New South Wales, it has been the honorable member for Maranoa. I am

at he has not been the most

enthusiastic member in the House this question. Time and again we heard him declare that he would be glad to get out of Melbourne, and get into New South Wales. And now, once we find the honorable member contented to settle down in Melbourne, it is evidently one of his moods and tempers that he does not know exactly how the moon is now, but I do know that the honorable member is assuming some very strange attitudes upon this particular question. I shall give him again that the removal of the capital to New South Wales, and the establishment of a modern, up-to-date federal capital, is not, under proper business management, to cost the State of Queensland, or any other State of the group, a single penny of additional expenditure. Now, with regard to the Government, the Acting Prime Minister has made one of his soporific speeches, in which he has completely satisfied the honorable members on my own side, and therefore not much use in my saying that that speech has apparently done a great deal of good. Every one on this side has been pleased to hear it. I shall say, as I said before, regarding the honorable gentleman's speeches, that I regret that honorable members on my side should be so easily pleased with them. I almost feel myself guilty while I hear him speak. The honorable gentleman has the faculty of making this world appear to be the very best of all possible worlds to live in. This Parliament the very best of all possible Parliaments to be in, and of suggesting altogether that our surroundings and environments leave nothing to be desired. In fact we are in a perfect elysium according to the honorable gentleman, and the régime of the present Government.

Mr. DEAKIN.—The honorable member spoke of my speeches, but I have never answered questions. I find, on referring to *Hansard*, that I have never spoken on the question of the federal capital site, but have merely answered questions.

Mr. JOSEPH COOK.—Many of the answers to the questions have been at great length, and they are speeches in themselves. The same may be said of the Minister for Home Affairs, who has been answering a question to-night for a three-quarters of an hour. If the reading of voluminous papers is merely answering questions, I shall be glad to withdraw my former expression, and substitute for

that the honorable gentleman has usually answered questions upon capital site, and has more than adequately stated his opinion on the

KIX.—The honorable member is in *Hanard*.

EPH COOK.—The honorable member has made statements which have made members on this side into a satisfied contentment. The are made, just as has happened honorable members all say that they with this and the other state-

son.—Does the honorable member speech to the opposite effect?

EPH COOK.—I do not desire a ne opposite effect, but I want have not had yet, and that is a declaration of what the Governmenting to do.

Groom.—Surely the honorable had that times without num-

EPH COOK.—I really did not I should be delighted to hear out utterance on this question ters. The Minister for Home ight told us that he had come to ion to submit this motion to but he did not know at the f the sitting that he ought to

LIAM LYNE.—I brought it here cention of doing it.

EPH COOK.—The honorable ook courage as the evening wore now states that he will submit to the House to-morrow, but question as to the sites. He is o tell us who the experts are to s going first to get into recess can be no criticism upon their t.

. Groom.—Is not that a ques- inistration?

EPH COOK.—I say that it is question of administration than al the honorable gentleman is bmit to the House to-morrow.

LIAM LYNE.—The honorable mem- talk sense.

EPH COOK.—The honorable has a monopoly of that I pre- e would judge so from the num- rviews he gives to the Sydney on this question.

Sir WILLIAM LYNE.—The honorable member should not write so many letters.

Mr. JOSEPH COOK.—The honorable gentleman should not set me such a terrible example. I tell him one thing that I do not do in the letters which I write. I do not reflect upon my own colleagues, as he is constantly doing in his interviews.

Sir WILLIAM LYNE.—The honorable member is not right in saying that.

Mr. JOSEPH COOK.—Nearly every week he goes over, the honorable member leads the people of New South Wales to believe that he has got a death struggle on with his colleagues in connexion with this matter.

Sir WILLIAM LYNE.—I wonder how the moon is now?

Mr. JOSEPH COOK.—The honorable gentleman does not like what I am saying, but I promise him that I shall prick his little humbug in the future a little more than I have done. He shall not go over to humbug the people of New South Wales, and make them believe that he is doing what he is not doing. The Acting Prime Minister has told us nothing that gets us any "forrarder." If I could believe that this question is going to be dealt with in this Parliament, I should not be so strenuous as I am in this matter. But I see the time drifting by. Two out of the three years have nearly gone, and I ask honorable members what is there to indicate that this question is going to be finally settled during the next session of this Parliament?

Mr. FORNTON.—There have been two trips to the sites already.

Mr. JOSEPH COOK.—And what is the result? We get the announcement that five sites have been selected. The moment the honorable gentleman made his statement in the House, the honorable member for Perth asked, "Is Dalgetty included in Bombala?" "Yes," said the Acting Prime Minister, "and I should say all the sites in that district." That is the way the Government select five sites. Then the Minister for Home Affairs goes over to Sydney and says that I conveniently forget that Orange includes Bathurst and Lyndhurst, and that Lake George includes Queanbeyan and Yass.

Sir WILLIAM LYNE.—In the honorable member's imagination. The moon is getting into the full now!

Mr. JOSEPH COOK.—This makes nine sites which the Government include in their selection.

Mr. POYNTON.—Which district will the experts come from?

Mr. JOSEPH COOK.—I do not know. The Minister seems desperately anxious to get into recess before appointing the experts. In addition to the nine sites, the Acting Prime Minister says we are to have all the sites in the Bombala district.

Mr. DEAKIN.—I said nothing of the sort. When the honorable member asked whether Dalgetty was included I said I did not know, but that there are certain sites in certain districts which would be included.

Mr. JOSEPH COOK.—The honorable and learned gentleman said that all the sites in the Bombala district would be included.

Mr. DEAKIN.—How far are they apart? For all I know, they may be only half-a-mile apart. I have not been there.

Mr. JOSEPH COOK.—If the honorable and learned gentleman is going to include all the Bombala sites in his selection and the Minister for Home Affairs is going to include all the southern and western sites, I do not know what suggested sites are going to be left out. What humbug it is to say to the people of Australia, "We have selected five sites," when the Government immediately proceed to enumerate ten or a dozen! Let them tell us what they mean, and stick to it. The Minister for Home Affairs shifts his ground nearly every week. If he had adopted a line of policy and adhered to it, I should not have said a word in criticism.

Sir WILLIAM LYNE.—The honorable member would not be able to keep quiet.

Mr. JOSEPH COOK.—I have kept quiet hitherto, but I am not going to keep quiet in the future regarding the honorable gentleman's attitude on this question. I promise him a little more criticism than he has had from me hitherto in regard to the selection of capital sites.

Sir WILLIAM LYNE.—That will not hurt me.

Mr. JOSEPH COOK.—I know that the honorable gentleman is a very superior individual. He cares for nothing and nobody, but that will not deter me from doing my duty, whether he likes it or not. He has a very fine way of indicating when he does not like criticism.

Sir WILLIAM LYNE.—I like it much.

Mr. JOSEPH COOK.—Let the honorable gentleman take the House in confidence, and let us have the experts appointed before Parliament goes into recess. Let us have a say, not only on the sites that are to be enumerated from the report of the experts, but also on the people who are to report upon them, as to the information that will be required.

Sir WILLIAM LYNE.—Would the honorable member like a ballot with regard to all the applications? I can give him names of 2,000.

Mr. JOSEPH COOK.—That is all right. We have not heard that before. The information keeps filtering out. By-and-by we shall know exactly what the state of the case is. All we know at present is that nothing has been done, and that the gravamen of the remarks that I am making. Honorable members have a right to complain of the tardiness of the Government over the selection of the sites, and the statements of Ministers on the subject are entirely inconsistent with the very slow progress made. I do not intend to say any more. Even honorable members on my own side say that they are pleased with what has been done. I am as ready to be pleased as most people, but I do not see anything to be pleased about in the nice speeches of the Acting Prime Minister, which are full of honeyed words intended to lead the people from the point of view which they would take.

Mr. DEAKIN.—The honorable member always displeased.

Mr. JOSEPH COOK.—I am as pleased as the honorable and learned gentleman is speaking. Whenever I hear him reply to me, it makes me wish that he had never said a word, because he immediately proceeds to show that there is absolutely nothing in the complaint, and one feels like apologizing for what he has said. That is manifestly the case. An honorable member on my own side said to-night of the Acting Prime Minister's speech—"That speech will do a great deal of good." This matter is, however, one that seriously concerns the people of New South Wales. There is no question upon which they feel more sensitive and more doubtful and doubtful.

Sir WILLIAM LYNE.—And what the honorable member is doing, tends to emphasize that feeling.

Mr. JOSEPH COOK.—It is shocking for the Minister to assert that the Government have done all that is possible, when, as a matter of fact, they have done nothing. He tells the people of Sydney that he has been trying to fight this question in the House, and that we have been trying to block it. I hope that the honorable gentleman will stop his bluff. He is a very slim gentleman, but it is about time he stopped bluffing the people of New South Wales, and set to work in downright earnest to settle the question of the capital site.

Clause agreed to.

Clauses 2, 3, 4, and schedule agreed to.

Bill reported without amendment; report adopted.

Bill read a third time.

ADJOURNMENT.

EXTRA SITTINGS: PROROGATION.

Mr. DEAKIN (Ballarat — Attorney-General).—I move—

That the House do now adjourn.

May I ask honorable members to be good enough to make their private arrangements, in order to enable us to devote the greatest possible amount of time continuously to the remainder of the business. I hope that they will not only consent to sit for the full time which we have been accustomed to work, but that they will, if possible, remain until the Saturday afternoon trains go, or arrange to meet on Monday. If the majority are willing to do it, the Government will put everything aside, and meet the House on both occasions. I hope that honorable members will give the matter their attention so that when the request is made they will not be taken by surprise, but will be prepared to concede the utmost time they can with the view of enabling themselves to return to their constituencies as early as possible.

Mr. POYNTON (South Australia).—Of course I do not take exception to the anxiety of the Acting Prime Minister to bring the session to an end, but it ill becomes the Government to display this new-born zeal to get the work done, when we find that, at this hour of the night, there is no work to go on with.

Mr. DEAKIN.—Because we could not get the Electoral Bill from the Senate.

Mr. POYNTON. — Some of us have travelled 500 miles to attend to-day, when we might as well have stayed at home. We have only given an audience to the Treasurer, and, of course, we have obtained some information from his statement. I protest against this way of conducting the business. We ought not to have been called upon to travel all that distance.

Mr. DEAKIN.—It was because the Senate did not send down the Electoral Bill that we have to adjourn. I had hoped that it would have been returned.

Mr. POYNTON.—We ought not to have been called upon to travel such a long distance, and then be asked to adjourn shortly after the dinner hour. This is not the first time that it has occurred. On several occasions we have travelled long distances, only to find that there was no work to be done.

Sir WILLIAM LYNE.—It is nearly nine o'clock, and surely the honorable member does not wish to sit very much longer.

Mr. POYNTON.—On other occasions we have sat until eleven o'clock, and we could have sat until that hour to-night if there had been work to be done. Are we expected to sit on Saturday and on Monday?

Mr. DEAKIN.—I hope so.

Mr. POYNTON.—Does not the honorable and learned gentleman think it would have been a fair thing to have made this arrangement before? When honorable members come here to transact the business they leave their homes in the belief that they will return by train leaving on Friday night or Saturday morning. It is unfair to spring this arrangement upon us in this way. I trust that if we are going to sit on Saturday and Monday there will be no humbug on the part of the Government. It is no joke for honorable members to have to travel long distances. It suits those honorable members who live here, but it does not suit those who have to travel a distance of 1,000 or 1,200 miles a week to find that there is no work to go on with.

Mr. PAGE (Maranoa).—I desire to enter my protest against this early adjournment. I came here from Queensland a fortnight ago to go on with the public business, and we have sat only once in that period. I have been away from my home ever since May, 1901. I have not been four weeks at home since January, 1901. It is very nearly time that we were studied a little. At this sitting we have heard only the financial statement, and the question of the

federal capital site has been introduced at the last moment. If the Minister for Home Affairs will ask leave to proceed with the motion of which he has just given notice it can be dealt with to-night. If the Acting Prime Minister is so zealous to get on with the business, then in order to deal with the Electoral Bill straight away to-morrow, let us settle the question of the federal capital site to-night. This zeal on the part of the Government is displayed at a late period of the session. If it had been manifested eight or ten months ago no doubt we should have been in recess now. It is no amusement to me to be here. I would much sooner be amongst my constituents. No honorable members are more anxious to bring the session to an end than are those who come from the distant States. I am only too anxious to assist the Acting Prime Minister to get on with the business.

Mr. McDONALD (Kennedy).—I quite agree with the proposal of the Acting Prime Minister. I hope that we shall sit not only on Fridays, but even on Saturday morning if necessary, and on Monday. It will take three weeks at the outside to dispose of the business. Honorable members ought to be willing to make a little sacrifice. I daresay that the honorable member for South Australia, Mr. Poynton, will be able to make the necessary arrangements to stay, which he was unable to make because he was not aware that it was intended to sit later this week. I hope that the suggestions of the Acting Prime Minister will be carried out. I believe that if the House would make up its mind to deal with the business it could be disposed of within three weeks. I would ask honorable members to consider the position of those who come from the north and the north-west of Queensland, because after next month it will be almost impossible, if we are going to have a wet season, to get anywhere near our constituents until next March.

Question resolved in the affirmative.

House adjourned at 8.50 p.m.

Senate.

Wednesday, 24 September, 1902.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

JURISDICTION OF STATE COURTS.

Senator PULSFORD.—I desire to ask the Vice-President of the Executive Council whether the Government will, before the close of the session, bring in, and do its utmost to pass into law, a Bill to temporarily, pending the establishment of the High Court, confer on the State courts the needful powers to adjudicate on claims arising in connexion with the transferred services?

Senator O'CONNOR.—The Government have already taken steps to introduce a measure which will give to the State courts jurisdiction to deal with all claims against the Commonwealth.

POST AND TELEGRAPH RATES.

Senator HIGGS.—I desire to ask the Postmaster-General when the uniform post and telegraph rates will come into operation?

Senator DRAKE.—It is my intention at the present time to bring the Post and Telegraph Rates Act into operation on the 1st November.

CUSTOMS PROSECUTIONS.

Senator PULSFORD.—I desire to ask the Vice-President of the Executive Council without notice—

1. Has the Government observed the numerous cases in which importers who have been prosecuted for passing false entries have been acquitted of everything but mere clerical error?

2. Does not the Government think the time has fully arrived when the officers of the Customs should be directed not to prosecute any person on a charge of falsification for what is presumably or obviously a mere clerical error?

3. Will the Government institute an inquiry into the cases where such prosecutions have taken place with a view to the refunding of the fines which have been inflicted?

Senator O'CONNOR.—The action that has been complained of has been taken in accordance with the law. It has not been taken in any case in which it was considered unnecessary. I cannot promise, on behalf of the Government, that any such action as is suggested will be taken.

PAPERS.

Senator DRAKE laid upon the table the following papers:—

Sittings of the Senate, and attendance.

Ordered to be printed.

Regulations under Excise Act and Beer Excise Act.

Sugar Regulation under Excise Act and Excise Tariff.

Additional Instructions to Governor-General and Commander-in-Chief.

STOMS TARIFF BILL.
 essent reported.

CLAIMS AGAINST THE COMMONWEALTH.

Lt.-Col. NEILD (New South
 in order to enable me to bring
 Senate a question of urgent pub-
 licance, viz., the failure of the
 Government to provide any means to enable
 citizens of legal redress against the
 Commonwealth, I move—

Senate, at its rising, adjourn until
 at 10.30 a.m.

at the statement which has just
 been made by Senator O'Connor has, to a
 great extent, done away with the necessity
 of making this course. But, at the
 same time, I think it is only fair to Senator
 O'Connor that I should afford him an oppor-
 tunity of making a statement which he has
 been unable to make, and which I have no
 doubt will relieve him in the estimation of
 many persons from the charges
 which have been made against him in the
 case of New South Wales in con-
 nection with what is very well known there
 as the "Mahab case." Owing to some acci-
 dent the telephone wires, which are
 under the jurisdiction, and I suppose are to
 be used as the official property, of the
 Attorney-General, a cab-driver was seriously
 injured, his horse was killed, and his cab
 was damaged. Certain arrangements were
 made, in which the Postmaster-General
 was so far as he could, to permit the
 State to make a case for damages against the
 Commonwealth. The action was brought in the
 Supreme Court, and was defended by the
 Attorney-General of New South Wales
 and the Postmaster-General.
 I feel representing the Attorney-
 General at a point as to the jurisdiction
 of the Court, and the Judge took another
 view, and finally decided that there was no
 jurisdiction, which any citizen feeling himself
 wronged and desirous of seeking redress
 from the Commonwealth, as represented
 by the Government, could proceed in any
 way that was the deliverance of a
 judgment of the Supreme Court, and as the
 case has been referred to in both Houses
 of the Parliament, and will, in the
 near future, be the subject of a
 important public meeting, and, per-
 haps, a display of enthusiasm and in-
 terest, I think it is only right that a

statement should be made by the Postmaster-
 General, with whom I have had no com-
 munication other than an intimation that I
 proposed to take this course, and even then
 that communication was made through Sena-
 tor O'Connor. I am acting in no shape
 or way for the purpose of "playing jackal,"
 as the phrase goes, to the Postmaster-
 General. I bring forward the matter for
 two reasons. I think that the Postmaster-
 General has a right to put himself in a
 proper position before the public, who, in
 New South Wales at any rate, feel very in-
 dignant and greatly aggrieved at what is
 looked upon as a miscarriage of justice. I
 desire, primarily, to draw attention to the
 fact that, though the Government has been
 in existence for a year and nine months,
 less three or four days, and though Parlia-
 ment, at its instance, has been manu-
 facturing new crimes by the score—it is
 not necessary for me to refer to the dif-
 ferent Acts—and conveying to the State
 courts the power of investigating and
 sheeting home charges which may be
 brought in respect of those new offences,
 the Government have been entirely quies-
 cent in the matter of providing any similar
 method of redress for people who as-
 sume themselves entitled to compensa-
 tion at the hands of the Commonwealth.
 There may have been, and may still exist,
 excellent reasons for the non-establishment
 of the High Court of the Commonwealth,
 and upon that point I do not desire to
 occupy any time. Probably it will occupy
 our attention next session. But while the
 Government have been careful to legislate
 so that the State courts can act against
 the citizens of the Commonwealth, they
 have taken no action of any kind, of which
 I am aware, to enable citizens of the
 Commonwealth to seek redress at the hands
 of the Government. I find a statement was
 made as to this case by the Attorney-General
 of New South Wales in the Legislative
 Council of that State; and here I am not
 only speaking of the Attorney-General of
 New South Wales, but I am also speaking
 of the standing counsel for the Common-
 wealth Government. I learn from the
 official report of the proceedings of the New
 South Wales Parliament that the Common-
 wealth Government are paying, according to
 the Attorney-General of New South Wales,
 at least £1,000 a year for his action on their
 behalf in pursuing the citizens of that State.
 That is a statement made in both Chambers

of the New South Wales Parliament, and apparently was not challenged by any Minister or by the Attorney-General himself.

Senator O'CONNOR.—It is absolutely incorrect.

Senator Lt.-Col. NEILD.—It is a very strange thing that this statement, when made by the Attorney-General of New South Wales, was not contradicted; and that a Commonwealth Minister in this Senate should be left to contradict it now.

Senator O'CONNOR.—I may tell the honorable senator that that is the amount paid to the Crown Solicitor of New South Wales for services rendered to the Commonwealth Government, not money paid into the private pocket of the Attorney-General.

Senator Lt.-Col. NEILD. — But my honorable and learned friend will not deny the accuracy of the statement made by the Colonial Treasurer of New South Wales, who, I suppose, has full knowledge of the public funds of that State, that while the sums paid by the Commonwealth Government to the Crown Solicitor of New South Wales in respect of Commonwealth business eventually find their way into the consolidated revenue of the State, the sums paid to the Attorney-General of New South Wales as the counsel of the Commonwealth Government go into his personal pocket, and not into the consolidated revenue. I suppose my honorable and learned friend will not deny that.

Senator O'CONNOR.—I should think that is self-evident.

Senator Lt.-Col. NEILD.—Quite so. I find the Attorney-General of New South Wales—that is, the standing counsel, paid personally, and not officially, to represent the Commonwealth Government—stating in his place in the Legislative Council of New South Wales:—

He might mention that there were several large claims with respect to this State—

that is New South Wales—

which could not be pursued until the High Court was brought into existence.

Other speeches, and, perhaps, other parts of the speech of the Attorney-General of New South Wales, show that the words which I have quoted—"the High Court has been brought into existence"—may be varied to read, "provision is made for the trial of suits against the Commonwealth in the courts of the different States." It appears to me that the Commonwealth

Government has been strangely remiss in being in office for a year and nine months, and in being the only Government in any portion of the British realms—I might say the only recognised Government in the entire world—which has held itself to be an outlaw, to be outside the jurisdiction of any court in the world in regard to the seeking of redress on the part of any citizen. A lawyer might be able, perhaps, to find an excuse for such a state of affairs, for which I, as a layman, and as a public man of a quarter of a century's experience, can find no excuse. It does seem to me that while the Government were busy manufacturing crimes, and passing legislation to enable the State courts to deal with offences against the Commonwealth, they should not have been remiss in providing exactly similar means, or in establishing a High Court, to enable citizens of the Commonwealth to seek legal redress at the hands of the Commonwealth administration where those citizens may consider themselves entitled to such redress. I have already said that the statement made on behalf of the Government this afternoon to the effect that the very complaint I am making is to be removed by the introduction of a short measure—which, in my view, ought to have been introduced many months ago—removes very largely indeed the basis of my complaint; but my motion will afford the Postmaster-General an opportunity to relieve himself of the stigma which has been cast upon him by public speakers in other places, and in respect of which I believe that personally the honorable and learned gentleman is entirely entitled to our consideration and sympathy under the circumstances. Because, as I understand the matter, the Postmaster-General did all that was in his power to afford an opportunity for redress in the case to which I have referred. But the fact does remain that by some shuffling of the legal cards not only has the unfortunate cabman in Sydney been seriously injured, has had his vehicle smashed up and his horse killed by wires charged with electricity falling; but the unfortunate man is practically ordered to pay the costs of the Postmaster-General in the action. I hope that the Postmaster-General, though he has obtained this decision in his favour, will not take any costs from the plaintiff. I do not know what the honorable and learned senator is going to say in his speech, but I hope to hear him

considers it is quite enough for a man to have been seriously injured, and have had his cab smashed and killed, and has to pay his own expenses on the top of all these misadventures. The Commonwealth Government has to pay him costs for his failure. I, with these fairly brief remarks on the subject, and it affects not only New South Wales, but every portion of the Commonwealth, every resident of Australia, be it or not, because any one of them would be unable to obtain redress under the existing state of affairs. The difficulty which comes in his way at the hands of any servant of the Commonwealth—express the hope that the Government, which the Vice-President of the Executive Council has mentioned this Bill will soon be passed, and that the Government has given on behalf of the Commonwealth will very soon find its fulfilment.

DRAKE (Queensland—Postmaster-General).—I was not aware that the Bill introduced by Senator Neild had been referred to in the New South Wales Bill.

Lt.-Col. NEILD.—There have been many debates about it.

DRAKE.—I do not read all the papers of the Commonwealth, and I had the pleasure of reading the Bill in question, and perhaps I never read it.

I only mention the matter now in order that it may be understood that many points have been referred to by the honorable senator are completely unknown to me. My remarks will have no reference to them. I can only speak with regard to the particular case which has furnished the honorable senator to hang upon. I know that a citizen of New South Wales had a claim against the Commonwealth in connexion with the Postmaster-General's department. As to the merits of that case, of course, for very obvious reasons, I say nothing at all.

PLAYFORD.—Why do you not sue him, and pay the man something?

DRAKE.—Because there is a question of liability involved. It is the question of whether the Postmaster-General or the Railways Commissioner for the State Government of New South Wales is liable. That is

the real issue which had to be tried, and which, I presume, will at some time or other be tried. It was a principal concern of myself and this Government that the plaintiff in this action should not be prevented by any technical difficulties from pursuing his proper remedy, and instructions were given to counsel that no technical objections were to be raised on the ground of jurisdiction. I received from the solicitors to the plaintiff a letter asking me to make certain admissions, and those admissions were made on behalf of the Postmaster-General in the exact words that were proposed. When the matter came on for trial the Judge ruled that the court had no jurisdiction, and that the consent of the parties could not give it jurisdiction.

Senator Lt.-Col. NEILD.—The counsel for the Commonwealth Government nevertheless took the objection.

Senator DRAKE.—I am informed that that objection was not taken by the counsel for the Commonwealth Government—that, so far as he was concerned, he raised no objection to the jurisdiction. But the Judge held that that consent did not give him jurisdiction to try the case. Clearly our counsel did not take the objection himself, because the Judge held that consent did not give the court jurisdiction.

Senator Sir JOHN DOWNER.—I suppose that counsel handed him the consent?

Senator O'CONNOR.—Yes; it was put in evidence.

Senator DRAKE.—But the Judge held that the consent did not give him jurisdiction, and therefore declined to try the case. That is how the matter stands. With regard to all the rest of the honorable senator's remarks, surely they have been met by the statement of my colleague the Vice-President of the Executive Council this afternoon that the Government intend to introduce a Bill which will give the States courts jurisdiction in such cases. That I think is a sufficient answer.

Senator MATHESON (Western Australia).—I think I can throw a little light upon this subject. I must say first that I think this attack, in the Senate, upon the Postmaster-General or upon the Ministry, is quite unnecessary, coming from the honorable senator who has moved the motion for adjournment; because if he had studied his newspaper as carefully as he might have done, he would have read Mr Bernard Wise's very able explanation of the position.

in the New South Wales Parliament. In that statement Mr. Wise clearly set out the answer to the whole of the questions which have been raised by Senator Neild. I happened to be in Sydney at the time, and was very much interested in the case. The position appears to have been this:—That the attorney for the plaintiff endeavoured to set up a personal and individual liability on the part of the Postmaster-General to pay costs of the judgment if it went against him. That position Mr. Wise repudiated by the contention that the Postmaster-General certainly ought not to have thrust upon him the personal responsibility which was sought to be forced upon him as an individual, and not as Postmaster-General. Then, as far as the case was concerned, the Judge held that in the absence of a special Act giving federal jurisdiction to the State Courts—for which a provision exists in the Constitution—he had no right to try it. In that way the two apparently conflicting statements made here to-day can easily be reconciled. A great deal of nonsense has been talked in regard to the fees paid to the Solicitor-General and Attorney-General of New South Wales. People seem to forget that these fees have to be charged in the accounts against the Government of New South Wales. The Commonwealth Government do not remain liable for them; the State of New South Wales has to refund the amount, and therefore all the clamour on the part of the press and the public against the employment of the Solicitor-General and Attorney-General of New South Wales really amounts to nothing. It is only natural that the Federal Government should employ those gentlemen, because they are officials of the State, which has to compensate the Federal Government in turn. If any one refers to the accounts between the State and the Commonwealth he will see how the matter works out. There is another point to which I wish to allude, and that is that it is a misfortune that any one in the position of Senator Neild should encourage the idea that the Commonwealth is hostile to the States, and that the Commonwealth Government goes out of its way in employing a State official to pursue an action against an inhabitant of that State.

Senator Lt.-Col. NEILD.—I did not say a word on that point.

Senator MATHESON.—The honorable senator did not absolutely use those words, but that is the only inference to be drawn

from his remarks. It appears to be entirely forgotten that in these matters the Commonwealth is simply the trustee for the States Governments, and that the only logical position is that the Commonwealth should employ States officials in conducting these actions.

Senator O'CONNOR (New South Wales—Vice-President of the Executive Council).—Before the honorable senator replies, I should like to say a word or two in regard to the general aspect of the question. No doubt the statement made just now by Senator Neild in regard to the amount paid to the Attorney-General of New South Wales was put forward upon the authority of some newspaper report.

Senator Lt.-Col. NEILD.—No: upon the authority of the Colonial Treasurer of New South Wales.

Senator O'CONNOR.—There has evidently been some misunderstanding. As pointed out by Senator Matheson, it is evident that the Commonwealth must have some one to carry on its legal business. At the present time it is thought that it would be inexpedient to go to the expense of establishing a Crown Solicitor's department for the whole Commonwealth. No doubt such a department will have to be established later on; but until we know what the extent of the business will be, and how that business will be conducted and administered, we think it is much better to make use of the services of the Crown Solicitors in the different States, and to pay them for the time occupied by them in attending to Commonwealth business.

Senator Lt.-Col. NEILD.—Quite right.

Senator Lt.-Col. GOULD.—Is the fee paid to the officer or to the State?

Senator O'CONNOR.—To the Solicitor-General in New South Wales, but I presume it will go to the State, because the State Government employs the Solicitor-General and pays him a salary. I think it will be recognised that the general arrangement is a very sensible one, and that, at the same time, it is the most economical that could be adopted at the present time. No doubt cases are arising now, and probably there will be more in the future, in which the interests of the States and the interests of the Commonwealth will be diametrically opposed to each other. In those cases other arrangements will have to be made until the

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alth has a department of its own its legal work. The Crown Solicitor South Wales retained the services of the Attorney-General of the Commonwealth, as being one of the best counsel at the bar in New South Wales, and as one possessing a very good knowledge of federal law. We think we have the very best counsel that could be had for conducting the general legal business of the Commonwealth in New South Wales; and for the services which he has rendered to the Commonwealth as Attorney-General of that State no other counsel is paid. I find that the payments for the year to the Attorney-General of New South Wales will be about £300. By way of inter-mentioned just now a sum of which I thought at the time was about that had been paid to the Attorney-General. As a matter of fact, there has been no such amount paid. The sum of £300, and all that the Attorney-General, Mr. Wise, has received by way of fees is something like £300. In the case of Hannah's case, I will only say that the Postmaster-General gave him the best possible under the law for the case against him, as regards the Commonwealth, it must be supposed for one moment that there has been any admission of liability on the part of the Federal Government. In fact, the case really involves a most important consideration which must be taken into account in many different forms, as in the case of the Commonwealth. Where you have in a street a car under the control of the Commonwealth, and under the control of the Government as to another car, if an accident happens, the question of responsibility must arise. That will be raised in this case. It is in the cases in which the utmost care is taken by the Commonwealth to see that it is made liable for which it is reasonably sure, at the same time, it makes an effort to have the case fairly and honestly tried before the court. I hope that the case will pass to which reference has been made—and I trust it will be passed in the hands of the plaintiff will be in a position to have his case properly tried, and its merits fully investigated.

Senator Lt.-Col. NEILD (*In reply*).—The remarks made by the Vice-President of the Executive Council seem to throw some doubt upon one portion of my statement. I hold in my hand the *Sydney Morning Herald's* report of the speech made last week by the Attorney-General of New South Wales in the Legislative Council of that State. In that report Mr. Wise is represented as having stated that—

The income of this State for the work would be about £1,000 for the year.

I did not say that £1,000 had already been paid. I spoke of £1,000 per annum, and I am sure that the *Hansard* report will show that I made no allegation as to £1,000 or any other sum having been paid. I said also that the sum which the Attorney-General of New South Wales received was paid to him as counsel for the Commonwealth, and not as Attorney-General, and my honorable and learned friend plainly enough points out that, in the event of a conflict of State interests with Commonwealth interests, some other barrister would have to be employed. I have abundant evidence in the reports of the discussion of the case in both Chambers of the New South Wales Legislature that the matter is as stated by the Postmaster-General. I am sure that the indignation sought to be raised in opposition to what I have said—as if I had made a statement reflecting upon Senator Drake—is only spurious. I have said from the first what I said in a letter to the Vice-President of the Executive Council on Monday last, that personally I do not blame the Postmaster-General.

Senator O'CONNOR.—Hear, hear.

Senator Lt.-Col. NEILD.—My honorable and learned friend assents to that statement, and it seems most preposterous that my honorable and would-be learned friend, Senator Matheson—

Senator MATHESON.—My indignation was not spurious.

Senator Lt.-Col. NEILD.—Then it was unfortunate for the promoter of the indignation, because it was based upon false premises. I am sure the Postmaster-General does not consider that anything I have said this afternoon reflects upon him in the slightest degree. I assert that the Attorney-General of New South Wales was authorized to act in the matter, and I have stated and re-stated that in my opinion the Postmaster-General did everything in his power to enable the case to be

brought before the court. But, unfortunately, the counsel appearing for the Attorney-General — Mr. Garland — raised the question of jurisdiction in court. It is unfortunate that the plaintiff was induced to come into court, for it is plainly stated by his representatives that if the point as to jurisdiction had been taken in the pleadings he would not have gone on; he would have recognised the futility of doing so. The point was not taken in the pleadings; the plaintiff went into court, and the moment the case was opened Mr. Garland raised the question of jurisdiction. The Judge raised a second question of jurisdiction, and the unfortunate plaintiff was double-banked. He was sat upon by counsel for the Postmaster-General, and the unfortunate part of the case is that the reports of the discussion go to show that this point was taken without authority. I do not believe for one moment that the Postmaster-General, having led the man on to trial, would have been guilty of directing that the point should be raised. The point was taken, however, and the unfortunate man, after being nearly killed, and having his horse destroyed and his cab smashed, finds himself in the position of an unsuccessful suitor. I think that in these circumstances every right-minded man will have a large element of sympathy for the plaintiff. The Postmaster-General has not given the assurance which I hoped he would have given, that the Commonwealth Government will not ask for costs against the man in view of the failure of his action. I hope it is not yet too late for my honorable and learned friend to give that assurance, because it would be only fair to refrain from making such a demand. I beg leave to withdraw my motion.

Motion, by leave, withdrawn.

ESTIMATES.

Senator DRAKE laid upon the table—

Estimates of revenue and expenditure for the year ending 30th June, 1903; and Estimates of expenditure for arrears of the period ended 30th June, 1902.

PUBLIC SERVICE: LEAVE OF ABSENCE.

Senator STANFORTH SMITH asked the Postmaster General, *upon notice*—

1. Is it a fact that accumulated leave of absence is denied to Commonwealth civil servants in Western Australia while it is allowed in other States?

2. In what States is accumulated leave of absence being granted?

3. Why is such leave of absence refused in Western Australia?

4. Will the rights of accumulated leave of absence granted under State Civil Service Acts be recognised under the Commonwealth Public Service Act?

Senator DRAKE.—The answers to the honorable senator's questions are as follow:—

1. No. Accumulated leave of absence is granted to Commonwealth Civil servants in Western Australia, in accordance with the provisions of the Public Service Act of that State.

2. Accumulated leave of absence is being granted in all the States where it is provided for by the State Public Service Acts, or the regulations thereunder.

3. It is not refused in Western Australia, where the services of the officer can be spared without interfering with the public convenience, and the conditions prescribed by the Public Service Act have been complied with by the applicant.

4. It is proposed to make provision for cumulative leave for recreation purposes, up to a maximum period of two months.

FEDERAL CAPITAL SITES.

Senator STANFORTH SMITH asked the Vice-President of the Executive Council, *upon notice*—

Is it the intention of the Government to obtain this session an expression of opinion from Parliament as to the best half-dozen suggested federal capital sites, so that the fullest information may be obtained regarding them, to enable Parliament to select the site next session?

Senator O'CONNOR.—The following motion has been tabled in the House of Representatives by the Minister for Home Affairs:—

That, with a view to obtain necessary information that will enable the Parliament of the Commonwealth to select a site for the seat of Government, a committee of experts be appointed to examine and report upon sites in the following localities:—Albury, Bombala, Lake George, Orange, Tumut, in relation to—Accessibility, Building Materials, Climate, Drainage, Physical Conditions and Soil, Water Supply with Rainfall, General Suitability, and such other salient matters as may be approved by the Honorable the Minister for Home Affairs. Such report to be submitted to the Federal Government by or before the 30th of April next.

Senator Lt.-Col. GOULD.—Will a similar motion be moved in the Senate?

Senator O'CONNOR.—I cannot say that at present.

CUSTOMS AND EXCISE REVENUE.

Senator PUISFORD asked the Vice-President of the Executive Council, *upon notice*—

1 Referring to the published statement of revenue collected under the Federal Tariff from the 9th

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30th June—how much of the £95,313 from "drawbacks and repayments" on the Federal Tariff?

What is the total net revenue due to the Federal Government for the period named larger than the amount of the "drawbacks and repayments" arising under the State Tariff?

O'CONNOR.—The answer to the honorable senator's questions are as follows:

There may of course be considerable drawbacks payable after the 30th June, 1902, in respect of duties collected between 1st October and 30th June.

TOBACCO MANUFACTURE.

PULSFORD asked the Vice-President of the Executive Council, upon the following question:

What are approximately the average quantities of tobacco articles which are being delivered to the tobacco manufacturers in New South Wales in the question answered on the 10th September last month for the whole Commonwealth? This cannot be given, for the two months ending 30th June, 1902, for New South Wales and Victoria, or for the whole Commonwealth.

O'CONNOR.—The monthly average for the Commonwealth is estimated as follows:

Opium, 884 lbs.; Liquorice, 21,706 lbs.; Gum, 10 lbs.; Glycerine, 17,342 lbs.; Gum, 10 lbs.; Black juice, 161 lbs.; Essential oils, 5,063 lbs.; Vaseline, 18 lbs.; Dry, 146 lbs.; Spirits, 1,280½ gals. As yet no tobacco factories. It is remembered that the extra weight of tobacco by the use of these goods is not taken into account for excise duty.

SUPPLY BILL (No. 12).

(On motion by Senator DRAKE)—That the Bill be read a second time. The Bill was then read a second time.

Read from the House of Representatives and read a first time.

DRAKE (Queensland — Post-Office).—I move—

That the Bill be now read a second time.

The Bill for supply for September and October, but honorable senators will be asked for the amount asked for is really for the first two months, because it covers the previous months of July and August. It will be remembered that, owing to the peculiar circumstances of last year, it was necessary to ask for supply for the

first two months of the financial year 1902-3 before the Estimates for that year were prepared. Those Estimates are now prepared and have been laid upon the table of both Houses, and in this Bill we are asking Parliament to re-enact the votes for supply for July and August, in order that the interim Supply Bill may refer to the Estimates as now framed. Several requests have been made during the session that the Estimates should be framed upon some uniform plan, so that they might be more easily understood, and the financial affairs of the different States more easily compared. That has been carried out in the Estimates now submitted in a manner which I hope will give general satisfaction. We are now asking the Senate to vote supply for the two months just passed, and for this and next month, the total amount being £1,365,597.

Senator Sir FREDERICK SARGOOD.—We are being asked to vote money twice!

Senator DRAKE.—The honorable senator will see that the 4th clause of the Bill repeals the last interim Supply Bill in order that the whole amount required for the four months of the current financial year may be voted upon the basis of the present Estimates.

Senator PULSFORD (New South Wales).—The Bill now introduced is a Supply Bill for the year 1902-3, at the third month of which we have now arrived. The Commonwealth has passed through a half-year, it has passed through a full year, and it has now entered upon a third fiscal period, but up to this date the Government have never yet presented to the Senate an opportunity of entering upon a general discussion of the financial affairs of the Commonwealth.

Senator DRAKE.—We had the Tariff, as the honorable senator knows.

Senator PULSFORD.—I know we have had the Tariff, and I know that when the Tariff was introduced into the other House it was accompanied by a financial statement made by the Treasurer. But when the Tariff was introduced here there was no financial statement made, and although we have arrived now at the twentieth month of the life of the Commonwealth we have had no financial statement presented to the Senate, and no opportunity has been given to enable us to discuss the financial affairs of the Commonwealth as a whole. We are now asked to

vote a supply of money to cover the expenses for the 19th, 20th, 21st, and 22nd months of the existence of the Commonwealth, notwithstanding the fact that we have never yet had the Estimates for the preceding period placed before us, except so far as they have arrived piecemeal in these Supply Bills which have been submitted more or less monthly. This does not appear to me to be quite the way in which the Government should treat the Senate. I hope that shortly, and at all events before the session closes, we shall have the Estimates for the year placed before us. I suppose there is very little use in debating the Estimates for the long period which has already elapsed, but we ought to be put in a position to consider the expenditure of the Commonwealth as a whole, and to express opinions as to matters of very grave importance. The question of loans, for instance, is one which is worthy of considerable attention, and which should be considered upon broad grounds. In this connexion there is one matter which I have in my mind, and which I think worthy of close attention. We know that the British Government is able to obtain money at a lower rate of interest than any of the British colonies, and it appears to me that there is no way in which the power and unity of the Empire can be better shown than by the outlying portions of the Empire having the advantage of the financial strength of the Empire. That is to say, the British Government might very materially strengthen Australia and other parts of the Empire by guaranteeing our loans.

Senator Sir FREDERICK SARGOOD.—Guaranteeing our loans?

Senator PULSFORD.—Yes; guaranteeing our loans. That is a suggestion that could not be carried into effect, except with very grave consideration, and under clearly and closely defined conditions. There would be very grave objection to anything of the sort being carried out in any loose way. But when we notice the staggering effect upon Australia of the millions of interest that have now to be paid, honorable senators must see that if any alleviation of that burden could be secured it would be a very great boon to Australia. This is a matter of importance and one worthy of being considered in detail. Then there is another matter which I think the Senate might consider closely. The Postmaster-General has to make a great many contracts, and the Defence department has

also to make many contracts. We ought to watch the way in which those contracts are made, and we ought to see that they are on a thoroughly business-like footing, and that, so far as possible, they are removed from all political influence, and that for the money which it pays the Commonwealth shall get the fullest value possible. These are some few of the matters which might be mentioned, and, which, in my judgment make it desirable that we should, at an early date, have a general discussion upon the whole of the financial matters affecting the Government of the Commonwealth. I do not propose at this stage to delay the second reading of this Bill. But when we have the Estimates in chief before us, I hope there will be opportunity given for a general discussion upon them.

Senator PLAYFORD (South Australia).—I do not know that it is our special duty to go into old discussions upon various matters, but I point out to the honorable senator who has just resumed his seat that the discussion of one of the questions which he has mentioned—that of the Imperial Government guaranteeing our loans—would be a great waste of time. To discuss the other question relating generally to loans would also be a waste of time. That would include the question of whether it would be wise for us to borrow money to carry out public works, or dip into the Customs revenue, and so prevent the States getting as much as they otherwise would from that revenue, and thus put them into great financial difficulty. Surely the honorable senator does not imagine that the Imperial Government would be so foolish as to guarantee our loans unless they had some voice in deciding what the loans should be raised for? To suggest that they would give us power to raise loans at our own sweet will, and that they would be willing to guarantee them under those conditions, is utterly preposterous. The honorable senator might, perhaps, bring forward a motion proposing that we should become again a Crown colony, in which the Imperial Government would have some voice as to what our loans should be raised for, and what works should be carried out with the money. If that were done, they might be expected to guarantee our loans, but they certainly would not do so under any other circumstances. But they certainly will not do it under any other circumstances, and therefore it is only a waste of time. What is the good of our

debating questions of finance, when undoubtedly an opportunity will be afforded to us to discuss those questions in a constitutional way? In the Senate we cannot introduce any legislation relating to finance. All such legislation must originate in the other House, and when a Loan Bill is sent up by that House will be our time to discuss the question of whether it is wise to borrow money. What is the use of wasting our breath and our time until that opportunity is given? Until a Loan Bill is sent up, I think we might as well hold our tongues.

Senator PULSFORD. — Is the honorable senator content with nothing but Supply Bills?

Senator PLAYFORD.—I do not know what else we can get. The honorable senator wishes to discuss everything connected with finance. Although I do not mean to say that the Senate should not exercise its constitutional power to discuss all matters connected with finance, I do not think that it should take the initiative except in the case of some question which an honorable senator may think of vital importance enough to bring forward on a special motion. If we are to go through the Estimates of Expenditure in precisely the same way as we went through the Tariff, we shall never be able to get on with the business of the Commonwealth. There is not the slightest necessity for us to adopt that course. Although we have full power to make any suggestions in respect to an Appropriation Bill, still I think we should be very chary about exercising that power, and so doing the work of the other House over again, unless, of course, there is some very strong reason for dissenting from any action taken by that House. It would be a foolish waste of time on our part to deal with the Estimates in that way. It would be a great deal better if it were stated in each Bill for how long the supply was intended to run. We cannot tell from this Bill how many months' supply it covers. In all the Supply Bills which I brought in, the period was stated, and therefore every one knew for how many months the money was being voted. From this Bill we only know that the money is to be voted for the financial year ending 30th June, 1903. We do not know how many months' supply we are voting, except from the statement made by Senator Drake that it covers the months of July, August, September, and

October. I have not had an opportunity of going through the Bill, but I submit that the information which is contained in the schedule is of very little use to the Senate. Under the head of war vessels we have an item of £950 for salaries. We do not know whom the money is to be paid to, unless we take the trouble of looking up the previous Estimates. If the schedule merely stated that the Defence department wanted a sum of £10,000, and that the department of External Affairs desired a sum of £11,500, it would be quite sufficient for our purpose. We can gain little or no information from the schedule in its present form, for it merely states that the contingencies are so much and the salaries so much. It involves a lot of printing, and for the purpose of supplying information to the Senate it is practically worthless.

Senator Lt.-Col. NEILD (New South Wales).—I offer my congratulations to the Minister on one matter in this Bill. On several occasions I spoke very strongly and rather bitterly about large sums being voted nominally for salaries to volunteer regiments, whereas they were really contingencies. We now find that while £1,000 is being voted for contingencies to each regiment, there is only £30 voted for salaries, as it should be. I am very glad that that correction has been made, because it is only an act of common justice, and it is putting the business on a proper basis. But in view of the complaints which are made about the size of our printing bill, in view of the drastic proposals which have been submitted to each House for lessening the cost of printing, I protest against the absolute waste of money in printing 40 odd pages of matter in this Supply Bill, when a couple of pages would have sufficed for everything which was required. The Bill itself occupies one page. The succeeding pages are filled with an abstract. I do not wish to make out that these things are better done in New South Wales, but just let me describe how Supply Bills are framed there.

The PRESIDENT.—May I remind the honorable senator that when the first Supply Bill came up without a schedule the Senate refused to consider it.

Senator Lt.-Col. NEILD.—In one respect I suppose I stand corrected, but still that does not alter in any way what I am going to say. At that time we had no votes before

us, but since then we have had twelve months' votes; and all we require to do in this Supply Bill is to vote a third of the amount of last year's grant, and then, if you like, to show in a schedule any additional amounts which may be required. It is absolutely needless to print page after page of matter when the items involved represent simply a third of last year's expenditure.

Senator MCGREGOR.—But that would not satisfy Senator Pulsford.

Senator Lt.-Col. NEILD.—It satisfied Senator Pulsford in New South Wales, and I think it would satisfy him here. We have the Estimates in chief to refer to, and instead of having over 40 pages of printed matter in a Supply Bill, two or three would suffice.

Senator STYLES.—The honorable senator would not have known that the correction had been made which he desired.

Senator Lt.-Col. NEILD.—I admit that, but I do not think that even that, although it is a question of consequence, warrants the cost of printing 40 pages of matter.

Senator STYLES.—There may be a dozen other things like that.

Senator Lt.-Col. GOULD (New South Wales).—In several remarks Senator Neild has anticipated what I intended to say. I agree with Senator Playford as to the necessity of altering the form of the Supply Bill so as to show that it is intended to cover the services for a specific period, and then, in order to meet cases where the money had not been paid within the period, of requiring an adjustment to be made on or before the end of the current financial year. To a large extent I concur in the remarks which have been made about the schedule. It will be remembered that the first Supply Bill contained no schedule, but we were aware that a schedule had been circulated with the Bill for the information of the members of the other House, and that an attempt was being made to treat the Senate in the same way as the Legislative Council of a State. The Senate took a stand which was recognised as a correct one by the other House, and subsequently each Supply Bill was sent up with a schedule. But if the Estimates in chief had been dealt with, and certain salaries had been approved, the Supply Bill could very easily refer to the Estimates which had been passed, and indicate that the supply was based on the rates fixed in the Estimates for the previous year, subject to any

deductions which might be made by Parliament in the Estimates of Expenditure for the current year. If that course were adopted it would get over the difficulty very speedily, and by reference to the Estimates in chief we could ascertain how the salaries, or the contingencies, which we are now asked to vote in a lump sum were made up. I think that if Senator Drake would bring this matter under the notice of the Treasurer, it would be the means of saving time in each House. Until Estimates in chief had been voted and passed by the authority of Parliament, it was almost impossible to adopt this course. Senator Pulsford has spoken of the desirability, in order to save interest, of devising some means by which the Imperial Government could guarantee our loans. I hope that the day will never come when this Parliament will seek such assistance at the hands of the Imperial Government. These States, above all things, pride themselves on their right to legislate for themselves, and whenever they deem it advisable to go into the world's market to raise a loan. If we introduced a system under which it would be necessary for us to say to the Imperial authorities, "We wish you to guarantee our loans in order that we may save a little interest," then good-bye to that independence of spirit which has always been evinced, and, I trust, ever will be evinced by the Parliaments of these great self-governing States. If, for the sake of argument, we could save $\frac{1}{2}$ per cent. or 1 per cent. interest by the introduction of that system, the saving would be very dearly bought. I hope that honorable senators, including Senator Pulsford, will see that such a scheme is not only impracticable, but undesirable. It was pointed out by Senator Playford in his speech that it would be necessary for the Imperial authorities to approve of the object for which the money was sought to be borrowed. Surely we are not going to come down to that? While there may be a desire to economize, the money saved on such terms would be saved at the cost of the independence and of the best interests of the Commonwealth. I desire to refer to a reply which Senator O'Connor gave this afternoon to a question about the selection of the federal capital site. He read the terms of a motion which is to be submitted to the other House authorizing steps to be taken to make full inquiries with regard to certain sites, and

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in reply to an interjected question of mine he said he was not prepared to say whether the Senate would be given an opportunity of discussing a similar motion. It has the same right to be consulted upon a question of this character as has the House of Representatives. I hope that the course of action taken will be to submit a motion similar in character to both Houses. I assume that the Government will realize the fact that it is desirable to consult the Senate with regard to the sites. Even if the Senate were absolutely in accord with the suggestion of the Government, we should always bear in mind that it is open to the other House, as it is open to the Senate, to suggest additional sites or the omission of suggested sites. I take it that it is probable that neither House will attempt to set itself in opposition to the other Chamber in regard to places that it might be considered desirable to investigate. It is, of course, desirable that we should confine the inquiry as far as we possibly can so as not to take in very unlikely spots, and should devote our time and consideration to the most likely places. But there is a feeling—and there has been for a long time past—that there is a desire on the part of certain people to delay the selection of the federal capital site. Some of the newspapers here have pointed out that it might be a desirable thing, instead of selecting a federal capital, to have the capital alternating between Sydney and Melbourne during periods of five or ten years, as the case might be. But that is not a desirable course to adopt. As we are pledged to have a federal capital selected, we should select it at the earliest possible date. As this provision exists in our Constitution, it is only a fair and reasonable thing that it should be carried out in its integrity. I cannot fail to recollect that a gentleman occupying a very distinguished position in this State devoted a portion of a speech on one occasion to the contention that the money that would be expended upon the federal capital might be better expended upon irrigation and works of that sort. Although no notice was taken of the remark at the time, it struck me that it was an extraordinary incursion into the realms of politics on the part of a gentleman occupying the position of Lieutenant-Governor of a State for the time being. I regarded the remark as indicating the feeling that seems to exist in the minds of many people in regard to carrying out the provisions of the Constitution with

any degree of expedition. I hope it will be realized that the question is one that must be dealt with speedily and determinedly, and that before the next session of the Parliament comes to an end it will be definitely decided where the federal capital is to be fixed. I realize that there has been a mass of business to be done, which has cast upon the Government a heavy task during these earlier stages of the federation, and which has rendered it impossible for them to deal with every matter of importance. I am prepared to believe that the Government have an honest desire to see this matter carried out with a reasonable amount of expedition, and that they will not give any opportunity for people to cavil at their want of action. I hope they will give an opportunity for the matter to be determined in the best interests of the Commonwealth. There are other matters in connexion with supply and the appropriation of money that might very well be debated, and there are several matters which I am desirous of discussing at some length. But I realize that we shall soon have an opportunity upon the Estimates in chief and the Appropriation Bill of dealing with those matters, and that it may be more appropriate and save the time of the Senate to defer further remarks until then.

Senator Sir JOHN DOWNER (South Australia).—Of course we as a Senate refuse to recognise that we act by any analogy with any Legislative Councils or Houses of Assembly. We allege that we possess as near to co-ordinate rights as the Constitution can give us; and we have insisted upon the items being printed in the manner in which the items have been printed in the Bill now before us. In doing that, we only properly asserted ourselves. An ordinary Legislature passes its Supply Bills with reference to previous Appropriation Acts. We have not passed an Appropriation Act yet. We have passed nothing but Supply Bills, and until we have passed an Appropriation Act there is nothing to refer back to, even if the analogy existed with the course of action common in Houses of Assembly and Legislative Councils. An ordinary Supply Bill in a Lower House of Assembly does not contain any items. It refers to the provisions of Appropriation Acts, and to nothing else. Of course the Legislative Councils do not get the items, because they are not in the Bills which the

Lower Houses pass. But here we have a Supply Bill, having no relation to any Appropriation Act. The other House, as a matter of course, had the items before it, and they having the items, we insist on everything being before us. We have insisted on that before, and should do so again. I do not think there is any waste of money in having the details printed.

Senator MATHESON (Western Australia).—The absurd drawbacks of Supply Bills are accentuated in regard to the Supply Bills we have dealt with recently, and are more particularly evident in the Supply Bill we have now before us. In this case the Bill contains items which are dealt with in the Estimates. In some cases the whole sum that is to be voted is dealt with in this Supply Bill. Yet we are perfectly well aware that this Bill was passed through another place in about five minutes without any debate whatever. These items are gone, and, as far as I can judge from the remarks of previous speakers in the Senate, any debate upon them is deprecated. I want to appeal to the Senate as to the position in which we are placed. We are simply helpless in regard to controlling the expenditure of this Government. The Government spend exactly what they like, bring their Supply Bills before us, inserting in some cases the full amount which appears upon the Estimates; and yet we are asked to pass these Bills in about five minutes. I must say that I consider it a mere waste of time to bring the Supply Bills before us at all. It is merely turning representative government into a farce. I shall not take up time now in dealing with the items to which I refer, but when we get the Appropriation Bill before us I shall call attention to them. I hope that the Senate will then see that the matter is carefully considered. Certainly I regard it as a perfect farce that we should consider that under present circumstances we are properly controlling the expenses of the Commonwealth.

Senator DRAKE (*In reply*).—I only rise to say that I have taken a careful note of the remarks made by honorable senators with regard to the form of the Bill. I think that we have certainly erred on the right side with regard to these Supply Bills, and particularly in regard to the Bill now before us, because, as this is the first Bill under the new Estimates, there are strong reasons for

the details being attached to the measure. With regard to stating the actual period, it seems to me that if we are going to make a provision of the kind suggested, it would simply amount to giving details in a Supply Bill which would be of very little use to honorable senators. If we were to ask for Supply only for certain specified months, and at the end of that period payments were to lapse, it would simply mean that we should have to set out that the payments were, say, for July, August, September, and October, instead of the Minister explaining that the amount asked for was the sum which it was estimated would be required for that period. The suggestion of Senator Pulsford was an interesting one, and can be discussed at the proper time; though I think the Senate would probably come to the conclusion that it would not be desirable to adopt it. Senator Gould has referred to the question of the capital site. I think that whatever he may have heard or read, he cannot allege against the Commonwealth Government any slackness in this matter. Taking into consideration the enormous amount of work that has devolved upon them, it must be admitted that they have done all that could be done up to the present time in the way of dealing with that matter. The honorable and learned senator would do well not to countenance any censure against the Government on this ground until he sees good reasons for it.

Question resolved in the affirmative.

Bill read a second time.

In Committee:

Clause 1 (Issue and application of £1,365,597).

Senator Lt.-Col. GOULD (New South Wales).—I wish to ask the Postmaster-General what is the idea of the Government with regard to the suggestion made by Senator Playford and myself, about making provision showing that this money is to be for the service of the first four months of the present year, and to be subject to any reductions that might be made upon the Estimates for the current year?

Senator DRAKE.—I do not think there is any point in what the honorable and learned senator has said. I do not see any advantage in accepting the suggestion. Honorable senators will see that this is an advance on account which we are asking for. If honorable senators will turn to the Estimates they will see that the total is £3,699,011 transferred expenditure, and

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MATHESON (Western Australian) wishes to call the attention of the Government to subdivision No. 1, of Division 1, of the Department of Home Affairs, where the heading of "other expenditure" is made for a further expenditure on works and buildings. It is a part of the outlay upon the offices of the Commonwealth, to which reference has already been made. I propose to take up the time of the House at any length, but I desire again to put my protest against the way in which money is being poured out upon these honorable senators turn to the fact that they will find that provision is made for a further expenditure of £1,050 upon the offices in Macquarie-street, Sydney, for the current year. When in Sydney I was in company with Senator Charles-lynn, and I took myself an opportunity to visit the offices, and I wish that other honorable senators had followed my example. The statement instantly reveals the fact

Senator MATHESON.—That is nonsense. People do not present Ministers

with china bowls. The bowls must have cost £2 each, and they would be cheap at that price. They are extremely handsome, but there is no necessity for them in the office of a Minister. On the same floor we also saw a room for the Prime Minister's secretary, about which I have nothing to say. At the back there were two large rooms containing eight large solid mahogany desks for the use of clerks. We have been told that the Government have no intention of taking the Prime Minister's staff to Sydney, and what can be the necessity for these magnificent desks? We found exactly the same state of affairs on the second floor, where the Minister for Home Affairs is located, save that there were fewer bowls in his apartment. I am not certain, but I think we saw four bowls, and two china pedestals there. No business person setting up an office for himself in a business-like way would dream of furnishing it with the things provided in these offices, and provided simply because they are paid for out of the money of the country. I know that it would be useless to move any request in regard to this item, but I feel that I should be lacking in my duty to the Commonwealth if I did not protest most strongly against the passion which these Ministers seem to have for giving wholesale orders. I do not say that the Minister directs all these things to be supplied. He gives a wholesale order to some furnishing firm to decorate the rooms. No restriction is imposed, and there is no regard for that economy which he would exercise in furnishing his own private office.

Senator Sir FREDERICK SARGOOD.—Probably the Minister knows nothing about it.

Senator MATHESON.—It is of that I complain. I complain of the reckless and extravagant way in which money has been poured out, not only upon the department I have mentioned, but probably upon other departments, and for which the country has to pay.

Senator DRAKE.—I have had an opportunity of going over the offices mentioned by Senator Matheson since the matter was last discussed here, and I must confess that I did not consider the furniture and fittings were so elaborate as the honorable senator seems to think. I am glad to hear that he is quite satisfied with the simple fittings of the room occupied by the Vice-President of

the Executive Council. His complaint amounts only to this: That he found some little attempt at ornamentation in the way of china vases in the room set apart for the Prime Minister. Surely that is a very small matter. There is always a certain amount of decoration in the way of pictures, statues, and so forth, in the rooms furnished for the States Ministers. I have seen them here and in the State offices of New South Wales.

Senator MATHESON.—They are certainly not to be found in the Postmaster-General's office.

Senator DRAKE.—I was trembling while the honorable senator was speaking. I thought my turn was coming next, for I believe that there is a china bowl, with a flower pot in it, placed in my office to gratify my æsthetic instincts. But I think that the honorable senator is pushing the matter a little too far. No very great harm can come to the Constitution or to the Commonwealth by allowing the rooms occupied by Ministers to be decorated to a certain extent.

Senator WALKER (New South Wales).—I wish to know whether the item "Conveyance of Members of Parliament and others, £8,000" in the division relating to the department for Home Affairs, refers to the choosing of the site for the federal capital?

Senator DRAKE.—No; it relates only to the conveyance of members to and from Parliament House and their homes.

Senator PULSFORD (New South Wales).—I should like to refer to the item immediately before that mentioned by Senator Walker, namely—"Expenses in connexion with choosing the site of the capital of the Commonwealth, £1,000." There should be some expression of opinion by the committee as to the right of the Senate to have put before it the motion to be introduced in another place in regard to the selection of the site for the federal capital. I think we have an equal right to express our views upon such a matter. It would probably save a great deal of heart burning and local trouble if the Parliament were simply to direct that the Colonial Office be requested to send out a commission to report, if not to select a site.

Senator DRAKE.—What has the Colonial Office in England to do with the matter?

Senator PULSFORD.—Nothing, unless it is asked to take action. I believe that

f Canada was selected in that

at-Col. GOULD.—But the selection of the capital was left to the Queen

PULSFORD.—I think it might be decided in the way I have suggested. I ask the Home Government to refer the question to a commission either to select the site or to choose two or three sites from which Parliament could make a final

Sir FREDERICK SARGOOD.—The Hon. Member was allowed to select the site of the capital, because of a dispute between the colonies and the provinces.

PULSFORD.—Disputes might arise between different districts in New South Wales, and they would be seized upon for delay. There should be no delay in determining upon the site of the capital. Some honorable senators seem to approve of my suggestion of adopting it, we should certainly not lose our rights. We should only use delay to obtain a settlement of this important question in the speediest way which I think would be possible. The trouble that may arise if the site be selected in the manner suggested. At all events, I hope that the Hon. Member will insist upon the motion in the federal capital sites being referred to the Senate as well as before the House.

DRAKE.—Notice was given last night in the other House of the motion which has been spoken of, and it has not yet been taken into consideration. With regard to the other matter mentioned, referring this question to the Senate, I think it would be very wise to ask for any assistance in this matter outside. The duty is cast upon the Government, and I think it is quite right to give them the material it has in the selection of Australia, of making a decision.

Sir WILLIAM ZEAL (Victoria).—I think honorable senators from New South Wales should take a broader view of this question, and should not be continually worrying the Senate about every matter. Let them settle the matter amongst themselves. There are about twenty different sites in New South Wales, and I

should like to ask Senator Gould whether he would care to settle the differences between Orange and Albury, or Bombala and Yass. Let the honorable and learned senator try it and see how the people of New South Wales will meet him. The matter will work itself out in a proper way if it is only left alone. This continual worrying about the capital site is perfectly puerile. Every week we get some notice of a question upon the subject, and it is suggested that some grave injustice is being done to the grand old State of New South Wales because this matter is not settled. As to the proposal that the selection of the site should be referred to the Colonial Office, does Senator Pulsford really think that the people in the Colonial Office are such arrant fools as to accept such a responsibility? Such a proposal would be objected to by all sections of the people. I can assure Senator Gould that, in Victoria, we do not treat this matter as one of vital importance. Honorable senators should bear in mind that the State of Victoria has subscribed something like £50,000, and has given up its own Parliament House for the convenience of members of the Commonwealth Parliament. Something should be allowed on that score. I have never heard the people of Victoria complain of that outlay of £50,000, and I should not have mentioned it had I not been so disgusted at the way in which this question is being continually brought before the Senate. Personally I should be glad if the people of New South Wales could take charge of the whole thing, and settle it at once, that we might have no more bother about it.

Senator PULSFORD (New South Wales).

—We so seldom hear Senator Zeal that honorable senators will probably be grateful to me for having succeeded in bringing him to his feet, and extracting from him the few breezy sentences we have just heard. The mention of the federal capital seems to be something like a red rag to a bull to the honorable senator. I have risen again to point out that Senator Drake did not answer my question with regard to the motion referred to; though the honorable and learned senator said that the matter had only been brought up in the other House last night, he did not say whether or not the motion would be placed before us.

Senator DRAKE.—I cannot say off-hand. I must consult my colleagues.

Senator PULSFORD.—The honorable and learned senator might give us some information upon the point. He might at least say that in his opinion the motion should be brought before the Senate.

Senator Lt.-Col. GOULD (New South Wales). — Senator Pulsford has drawn Senator Zeal by his suggestion that we should seek the intervention of the Home authorities in selecting the federal capital site. I do not suppose that the Federal Parliament is going to admit that it is incapable of determining a question of that kind. From my recent remarks upon the question of getting a guarantee from the Imperial authorities for our loans, it will be seen that I would not be in favour of Senator Pulsford's idea of seeking outside intervention in the selection of the capital site. We know that in the case of Canada, under the Constitution, the Queen in Council was authorized to select the site. There was some difficulty between the great States there in the matter of the selection of the capital site, and there were manifest reasons, by legislation and otherwise, for the step taken in the case of Canada. But under our Constitution the whole power of selecting the site is left with us, and I am entirely at one with honorable senators who believe that this is a responsibility which we have no right even to dream of shirking for one moment. Senator Zeal has told us that he is disgusted, sick, and tired of hearing so much about the federal capital. The honorable senator has reminded us of the fact that the State of Victoria has given the Federal Parliament this magnificent building for our occupation during the time the Parliament may be sitting in Melbourne. I am sure that we all recognise that the State of Victoria has treated the Commonwealth Parliament very handsomely by the way in which it has made provision for their accommodation. I should be very sorry to belittle what has been done by the State of Victoria in this respect. At the same time, I am not blind to the fact that there is a desire on the part of some persons to delay the selection of the capital site.

Senator Sir WILLIAM ZEAL. — Who are they?

Senator Lt.-Col. GOULD.—Senator Zeal is one of them. Did not the honorable senator say just now that the question should be left alone and it would right itself, and that there is no hurry about it? I say that very

many of the people of New South think that Parliament has been r that there is a strong inclination on th of certain members of the Federal ment itself to delay the selection of th and also that there is a widespread amongst people outside to delay the tion.

Senator PEARCE.—From what did draw that conclusion?

Senator Lt.-Col. GOULD.—By r the newspapers, and the remarks from time to time by some memb the Federal Parliament. The hon senator will find that the subject is tioned in a leading article in the *Mel Argus* of this morning. One hon senator wrote to the newspapers suggesting that the matter shou allowed to remain in abeyance, and the honours should be divided b Sydney and Melbourne. I should b glad to see that feeling allayed. The is one of considerable moment, an question should certainly be settled w little delay as possible.

Senator GLASSEY (Queensland). hear a good deal of the federal capit from time to time, and I can quite stand the anxiety of the representati New South Wales upon the subject. as a Queenslander, and a neighb New South Wales, I may be permit say that they are a little too exact the matter. Senator Gould has said the Government have been extreme miss in regard to the selection of the

Senator Lt.-Col. GOULD.—I did n they had been remiss. I said I b the Government were honest in their to establish the federal capital as e possible; but that with such a large of business before them they could n been expected to deal with everyth once.

Senator GLASSEY.—I am very p to hear these qualifying remarks fro honorable and learned senator, beca gathered from him that he comp of remissness on the part of the G ment in not having dealt with the earlier. Taking into account the of work done by the Parliament and Government since the 9th May, 1901, is no room for complaint of laxity part of the Government in the select the capital site. It must be remen

also that in that time members of the House of Representatives, as well as of the Senate, have visited various sites in New South Wales, and will be prepared, as the result of their inspection, to give their decision when the matter comes up for consideration. Under the circumstances, I think, the Government have done remarkably well in meeting the claims of the people of New South Wales in regard to the selection of the site. I think it is right that I should say on behalf of honorable senators representing Victoria that I have never yet heard one of them raise any strong objection to the selection of the site, or attempt to thwart honorable senators who desire its early selection. The people and Government of Victoria have behaved most handsomely to the members of the Federal Parliament in providing and equipping this Parliament House as they have done for their accommodation. They have incurred an expenditure of £50,000 or £60,000 in providing accommodation for the State Parliament at the Exhibition-building. Under these circumstances we ought to feel grateful to them for providing us with these beautiful buildings. The Constitution distinctly provides that the capital shall be established in New South Wales, and, so far as I am concerned, there shall be no repudiation of that. But representatives from New South Wales ought to be a little patient. They have exhibited an impetuosity and childishness unworthy of large-minded men coming from a big State like New South Wales. They should be patient, and they should be practical. They should consider what we are capable of doing within a limited time, and what we are capable of doing with the means at our disposal, because, after all, that is the grave point. In constantly asking questions, throwing out innuendoes, and suggesting that there has been remissness on the part of the Government and the Federal Parliament, they are driving the coach at too rapid a rate, and may drive it against a stone wall. We have had a report from Mr. Oliver, supplemented by splendid maps, and two parliamentary visits of inspection. Surely there ought to be enough evidence available now without sending out experts to make further inquiries. Senator Zeal very wisely said that the people of New South Wales ought to come to an agreement among themselves as to a site. There is continual

contention among the various districts as to the site to be chosen. All the trouble is due to the rivalry in that State. It might be better for these sections to agree to settle the question by putting a few tickets into a hat. New South Wales might well allow the question to rest until the recess, when it can receive some attention from the Government. The number of sites should be reduced to two or three, and then possibly a unanimous decision might be come to as to which site is the best. I have not gone to see any site. I regret that I was unable to take part in the senatorial visit of inspection.

Senator PULSFORD.—The honorable senator is not impatient in the matter.

Senator GLASSEY.—No; but I am content to be guided by the opinion of honorable members in both Chambers, and to place some confidence in the Government of the day, including Sir William Lyne, who, at any rate, has his eye to business, and will see that New South Wales suffers no harm. We have had a display of childish impetuosity which does not reflect great credit on the representatives of New South Wales, who should learn to exercise a little more patience. I now come to the suggestion of Senator Pulsford that we should seek the intervention of the Colonial-office—to do what?—to select the site at which the business of Parliament is to be transacted. In making that suggestion he is carrying his imperialistic idea a little too far. The idea is really preposterous. I do not know of any persons who are less likely to form an accurate opinion on this question than are those who hail from the Colonial-office or from England. Australians, who are acquainted with the climatic conditions and understand the wants and requirements of the public, particularly in the big State of New South Wales, are far more likely to come to an equitable decision than are any persons hailing from the Colonial-office or placed under its authority. I shall be no party to any repudiation of the rights of New South Wales in this respect. The provision in the Constitution will be carried out in good season. No substantial reasons have been given for this continual nagging and these frequent complaints of delay and want of proper diligence on the part of the Government.

Senator WALKER (New South Wales).—After the interesting lecture we have

had from the last speaker, as a representative of New South Wales, I suppose I ought to sit down and to be quiet for the rest of the evening, and that is my intention in about two minutes. Had Senator Glassey been a representative of that State, and happened to live in Sydney, he would know that the people think that their representatives are not sufficiently persistent in bringing forward this question. I rose to say that the people of Victoria have treated us very handsomely. We have now had a session of sixteen months. Probably we shall continue to have long sessions until we get to the new capital. I believe that when the Parliament meets at the federal capital we shall stick to our business, and close each session within about three months. I hold that the senators from New South Wales have not been too persistent in standing up for its rights. The Senate is the States House, and it is our duty to see that the provisions of the Constitution Act are carried out as quickly as possible.

Senator MATHESON (Western Australia).—During this discussion I have been wondering what this item of £1,000 really means. It gives rise to some very interesting reflections. I understand that the parliamentary visits of inspection are over, and under these circumstances the only conclusion I can arrive at is that it represents a sum which is going to be paid in case a motion is passed by the other House on the subject of appointing a committee of experts to inspect the sites. Senator O'Connor is unable to give us any guarantee that we shall have any voice in dealing with that motion. We are now asked to vote the funds for the payment of the committee. If we recklessly pass this vote, which forms part of a larger sum of £1,500, we shall part with any right we possess to express our opinions about the appointment of the committee. Quite apart from the leverage which a suggestion to the other House that the item should not be passed would give us, it is absolutely unnecessary in this Supply Bill. The Estimates are to be dealt with in the other House almost immediately, and the motion about which we hear is also to be dealt with almost immediately. In anticipation of the passage of that motion, is it necessary to vote this sum of £1,000? It cannot possibly be wanted until the Estimates have been passed. We should

act very properly if we requested the other House to omit the item from the Supply Bill, so that it could be dealt with in the Estimates in due course, and concurrently, I hope, with the motion for the appointment of the committee of experts. To test the opinion of the committee, I move—

That the House of Representatives be requested to omit the item, "Department of Home Affairs: Expenses in connexion with choosing the site of the capital of the Commonwealth, £1,000."

Senator DRAKE.—This sum of £1,000 is asked for in anticipation of some expenditure being necessary in the work of selecting a capital, and it is intended, as the motion which has been tabled in another place shows, to appoint some experts to report on the qualifications of certain places. What we desire is that that work shall go on as speedily as possible, and, therefore, a vote of £1,000 out of £1,500 is asked for in this Bill.

Senator MATHESON.—But you expect the Estimates to go through this month.

Senator DRAKE.—We do; but there is no reason why this money should not be voted in the Supply Bill unless honorable senators think that we should not go on with the work of selecting a site. If we are going on with that work, the money will be required, and it might just as well be voted now. The motion which has been tabled in another place may or may not be carried—probably it will be carried; but in any case, if we are to go on with this work, there must be a certain amount of expenditure. This item has no connexion with the visits which have been made, but it relates to certain steps which have to be taken before a site can be selected. We have had an excellent report from Mr. Oliver. A great many members of the Senate have had an opportunity of visiting the sites, and perhaps of making up their minds on the subject, but no selection can be made until we have expert evidence on the points which are mentioned in the motion—

Accessibility, building materials, climate, drainage, physical conditions, and soil; water supply with rainfall, general suitability.

Whatever action may be taken it is absolutely necessary that there should be some funds available in order to obtain the opinion of experts on these points.

Senator Sir WILLIAM ZEAL.—That question did not arise in New Zealand. Three

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ere appointed, and they selected

DRAKE.—Our Constitution is something entirely different, provides for a transfer of the land the general desire, I think, persons in the Commonwealth is shall be selected which has the site of a principal town in New

PEARCE.—Will the Senate be its assent to the motion?

DRAKE.—Before giving a definite answer to the question, I should like the opportunity of consulting the Hon. Member for Home Affairs. I have read the report of Senator Pulsford spoke to me to be a motion of a peremptory character, upon which the Hon. Member express an opinion as well as the House. There is nothing special in the motion which would bring it more under the purview of the House of Representatives than of the Senate. But I think it is the committee not to press me for a positive answer with regard to

PULSFORD.—Does the Postmaster propose to postpone the item then?

DRAKE.—Oh no; the money must be expended. I think it is settled. Unless honorable senators think that we should suspend this motion together, and not go on with the selection of a capital, I see no reason why money should not be voted, seeing it is admitted that it will be required. The particular qualifications that are stated in the motion are matters which the Senate must be informed of before it will consent to vote on any one of the sites. In view of the importance of the selection of a site, the qualifications, the amount of money required for is insignificant.

PLAYFORD (South Australia).—This is exceedingly important that we should visit these Supply Bills we are not the usual course, now that we are at this stage in our history. The usual course has been not to put in a Bill any new lines whatever.

Bill should be based upon the year's Estimates, and in all the cases of which I have any knowledge all events in South Australia—contain a clause to the effect that while no salaries and amounts

should be paid in excess of the payments in the previous year. It was impossible to adopt that provision when the first Supply Bills were brought before us, because there were no Estimates upon which to base the items. But the first financial year has gone by, and we should now adopt the usual practice of never placing in a Supply Bill any sum in excess of the vote for the previous year. We ought not to have these new lines here at all. A Supply Bill should contain no schedule of any sort, but should simply say in a certain clause that the Government want a certain sum of money for a certain period of time, and that no money is to be paid out of the sum Parliament votes in excess of the vote for the previous year. But in this Bill we have a new line altogether. We have something that has never been before us previously, and we have had no opportunity of considering whether it is desirable that this money should be spent at all. We are giving the Government an opportunity of spending money without having considered whether that money is to be spent well and properly. Personally, I say most unhesitatingly that I entirely disapprove of the expenditure of this money upon the object for which it is to be voted. There is not the slightest necessity for it. We have had two visits by honorable Members of Parliament to the suggested sites for the federal capital, and other visits will be paid in the future. I myself shall undoubtedly visit three or four of the most important sites before I make up my mind as to the vote I shall give. We have also had a most excellent report from Mr. Oliver, who is as good an expert as could be obtained, and who has gone fully into the questions of water supply, area, the rainfall, the qualities of the soil, the readings of the thermometer, and various other matters of importance. We have abundant information, excellently prepared maps, and everything necessary to enable us after visiting the sites ourselves to come to a conclusion as to which of them should be chosen for the capital. It appears to me that this £1,000 will be thrown away. But apart altogether from the question of whether it is a waste of money or not, I say that the item has no right to be voted upon this Bill. We should have time to consider whether we approve of this expenditure by debating a motion similar to that which is to be moved in another place. It is not for

the other House to say by a resolution that a certain course of action, involving the expenditure of a considerable sum of money, is a right and proper course to be taken without obtaining the consent of Parliament; and this is not the way to get our consent. This is altogether an irregular and improper way of getting our consent. The vote ought not to appear in this Supply Bill at all. There is no urgent necessity for it. We hope that Parliament will be prorogued before the end of October, and there is no necessity for the appointment of the experts before that time. There is no violent hurry. We expect that the Estimates will be dealt with by the other place before a month is over, and then we shall have an opportunity of considering them. There will be plenty of time during the recess, if the two Houses vote the necessary money for the purpose, for the experts to be appointed. The whole matter can be dealt with under the ordinary Appropriation Bill for the year. There is not the slightest necessity for it to be dealt with under this Bill. It is a wrong practice, and the item should be struck out. There was considerable discussion in another place last night, where it was considered to be an objectionable practice altogether to have such an item in a Supply Bill, and it was only agreed to on the understanding that no action would be taken until a motion was brought before the House, affording an opportunity of discussing the whole question. But the Government have no right to expend one halfpenny of money for this purpose, unless we give our consent. I trust that in future no new lines will be put in any Supply Bill, and that the Government will give no authority for the expenditure of money which Parliament has had no opportunity of discussing. This is a highly objectionable procedure altogether; the line ought never to have been in the Bill, and I shall vote in favour of requesting the other House to omit it.

Senator DRAKE.—If the contention of Senator Playford were sound, and we were never to ask for a vote on account until the Estimates were considered, it would mean that we should not have an opportunity of securing a vote on any new line until the Appropriation Act was passed. The Appropriation Act is generally the final Act passed right at the end of the session. But we do not propose in this instance to initiate any expenditure without the

authority of Parliament. We are asking that authority now. We had an item on the last year's Estimates of £3,000 for exactly the same purpose—"Expenditure in connexion with choosing the site of the capital of the Commonwealth."

Senator MATHESON.—For the picnics.

Senator DRAKE.—I do not call them picnics. The honorable senator shows his animus by the language he employs. The terms used in this Bill are exactly the same as on the last year's Estimates—"Expenditure in connexion with the choosing of the site of the capital of the Commonwealth, £3,000"—and what we are asking for now in this Supply Bill is £1,000 on account of £1,500 expenditure in connexion with choosing the site of the capital of the Commonwealth. It is exactly the same line.

Senator PLAYFORD.—But we know that this is a special service.

Senator DRAKE.—It is quite right that I should explain where the additional expense comes in. The £3,000 has been expended in giving opportunities to Members of Parliament to visit the sites. Now, more money will be required in order to obtain the opinions of experts with regard to those sites. But it is an expenditure of the same character. That is to say, it is devoted to the same end—to enable Parliament to make a wise decision as to which site shall be chosen. What is the difference between what is now asked for and the £3,000 under the same heading in last year's Estimates? The object is exactly the same. I cannot see that the mode in which this money is asked for now is open to any of the objections that have been pressed by Senator Playford. I think that when he made his speech in regard to the practice to which he has been accustomed, he had not in mind the fact that £3,000 was spent last year under exactly the same heading.

Senator PULSFORD.—For a different purpose.

Senator DRAKE.—No; for the purpose of enabling Parliament to make a selection of a capital site. There was no special resolution last year. It must be borne in mind that the Estimates have not yet been passed.

Senator PLAYFORD.—Not for last year!

Senator DRAKE.—No. A full opportunity will be given of discussing this question when the Appropriation Bill comes before us. I ask those honorable senators

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ally in earnest, and who desire
matter of the selection of the
shall be pushed on as quickly as
t to refuse to vote this £1,000

If it is admitted that the ex-
a necessary, and must be under-
not see that there can be any
it.

Sir FREDERICK SARGOOD.—The
have not asked the opinion of

DRAKE.—The opinion of the
ing asked now. We ask for the
000, and we state what it is for.

STANFORTH SMITH. — Why Government submit a specific bill to the other House?

DRAKE.—If we are going on work of selecting the capital site, we must first determine whether or not there can be any objection to undertaking the expenditure now.

O'CONNOR (New South Wales
President of the Executive Council).
This question of the capital site
earlier in the day I said that I
a position to give an answer.
was that we had not at that
erred the procedure which should

There are two ways in which a motion may be brought before the House of the Parliament. Either a motion may be introduced simultaneously in both Houses—that has been the case in some instances—or a motion may be introduced in one House, and, when it has been agreed there, may be introduced into the other House. We have also adopted the practice here in connexion with some motions at the time I was asked the question whether it had not been decided that no motion of action should be adopted in

Since the question was asked an opportunity of discussing the matter with my colleagues, and we have agreed to have the matter dealt with by the Representatives first of all, as it is a matter of initiating expenditure. When it is dealt with there, it will be introduced here, and it will have precisely the same effect as the other House has had of late in the whole matter. I make no statement now, because it seems to me that though it really does not or should not seriously affect the mind of the country in dealing with the provisions of the Bill, yet it is a question that

has been reasonably asked, and the Senate is entitled to know what course the Government intend to take. In this case, the only question before us is whether the Senate should deal with the item now and pass it, or whether they should wait until the formal discussion has taken place, and then pass the item. The reason why we ask the Senate to deal with the matter now is this. A great deal of work will have to be done by these experts, and the sooner they commence operations the better. If we wait until the Estimates are passed, three weeks may elapse before the necessary statutory authorization is granted, although possibly the delay may not be so great. Considering the delay that has necessarily taken place hitherto in carrying out the inquiries it is not unreasonable to ask the committee, especially as another place has passed this item, to expedite the voting of this money by some three weeks in order to enable these inquiries to be commenced. I heard what Senator Playford had to say as to there being no necessity for the appointment of a committee of experts, but if the honorable senator reflects as to the nature of the very admirable work done by Mr. Oliver, he will see that that proposed to be done by the committee of experts is of an entirely different character. Mr. Oliver's work was of a general exploratory kind, and he had to sift out from the large number of sites which were submitted to him a comparative few which he deemed worthy of the serious consideration of Parliament. In doing that work, Mr. Oliver saved the Federal Parliament, as well as the expert committee to be appointed, an immensity of labour and discussion.

Senator STANFORTH SMITH.—His work was like a flying survey.

Senator O'CONNOR.—Yes. If all that work had been left to the committee of experts it would have involved a great deal of time and of expenditure. But by narrowing down the number of sites, Mr. Oliver has done beneficial work, and done it with a great deal of skill and wisdom. The work to be done by the expert committee is of quite a different character. I think every honorable senator will admit that there can be no question in regard to which it is more important that we should make sure that we have all the information which is available. We are to choose a site for a capital for all time, and we should have all the available knowledge,

and all the detailed particulars possible, in regard to the different matters mentioned here. Those details should be obtained not merely by one gentleman, no matter how varied his talents, and how great his ability, but by a committee of experts who have special knowledge, and who should be able to present Parliament with exact information upon all these matters.

Senator PLAYFORD.—Are they all to be selected from the mother State?

Senator O'CONNOR.—Nothing has been done in the past which should lead the honorable senator to suppose that any such partiality will be shown. The honorable senator may take it as a guarantee of the impartiality of the committee of experts to be appointed that it will be selected from as large an area as possible. We shall get the best men available, and, if it should be found that there is a larger number of the most suitable men in South Australia than in New South Wales—and there seems to be a plethora of talent of all kinds in South Australia—they will be taken from that State. On the other hand, my honorable friend will admit that, if it is found that there is a larger proportion in New South Wales, they may very well come from that State. The main object which my honorable colleague will have in view will be to appoint the most suitable men for the purpose, and, if consistent with that desire, a selection can be made from the different States, the desirableness of that course will be kept in view. To that extent only can I be reasonably asked to go, and to that extent only the locality from which the experts come will be considered. The necessity of having complete and accurate and expert knowledge is so important that I think it would be a very poor policy indeed to neglect the opportunity of getting this information for the sake of the expenditure which we are now asked to make. After we have selected the site, and obtained the necessary information, the measurements, and surveys, and so on, made by these experts will still be available, and no doubt will be found useful as a basis to work upon.

Senator PLAYFORD.—One thousand pounds will not pay for all that.

Senator O'CONNOR.—I do not say it will, and this is a matter in regard to which there should be no false economy. These inquiries will be carried out under the eye of Parliament and the criticism of the press,

and the Government may fairly be expected to keep the expenses as low as possible for these reasons, in addition to what the master-General has said, I ask the honorable senator to vote in favor of the motion to pass this item.

Senator MILLEN.—Can the Minister say when the committee will be expected to report?

Senator O'CONNOR.—The motion tabled in another place names the 30th of next month. The honorable senator will see the wisdom of fixing the period within which the report shall be made. If the matter is to be ripe for the decision of Parliament at the next session, as we all hope it will be, it ought to be a time limit fixed.

Senator Sir WILLIAM ZIEGLER.—How many experts are to be appointed?

Senator O'CONNOR.—The number has not actually been fixed. I think there will be six, but I cannot give any definite information on the point.

Senator PLAYFORD.—If there is an expenditure of £1,000 will be only a drop in the ocean, especially if surveys are to be made.

Senator O'CONNOR.—Of course the expenditure depends upon the kind of survey made. If they are made with the aid of a geodetic survey, any amount of money may be spent, but if a feature is given all the information we want, the expenditure may not be anything so large. This is a matter which is left to a very large extent to the discretion of the Government. We have frankly shown what we intend to do, and I think the committee will see it is reasonable that there should not be a greater delay than is necessary in getting the matter to work. When the matter comes under discussion, the whole question of the appointment of the experts will be fully discussed, and the Senate will announce its opinion upon it.

Senator MATHESON (Western Australia).—The action which I have taken has been partially successful, because it has been the means of obtaining from Senator O'Connor an undertaking that the Government in regard to the appointment of a committee of experts shall be submitted to the Senate. But behind all that there is a point of principle involved. We are now to vote the necessary funds to be applied for a committee of experts, whose appointment has really not yet been determined upon by Parliament. We have the fact that a motion for the appointment

the committee is to be debated almost immediately in both Houses, and that the Estimates and the Appropriation Bill, which provide for the necessary expenditure, will be before us, we hope, in the course of a fortnight. Senator Playford has set forth very clearly what is the usual practice in these cases. I do not think it is wise that we should deviate from the ordinary practice in an important matter like this, and place money at the disposal of the Government in a lavish way. I hope the committee will support my request.

Senator DRAKE.—The money will not be spent unless the motion with regard to the committee of experts is carried.

Senator MATHESON.—I admit that ; but we should be very careful to preserve all principles intact. Senator O'Connor spoke just now as if I had raised an objection to the expenditure. I have not done so. In submitting the motion, I said the matter ought to be discussed in the proper form, and that this item should be dealt with on the Appropriation Bill. I repeat that assertion.

Senator O'CONNOR.—If it is not carried now there will be no opportunity of passing an appropriation of this amount for the next three weeks, whereas if the motion for the appointment of a committee of experts is not carried the money will not be expended.

Senator MATHESON.—I quite understand that. Probably the expenditure will not be authorized for three weeks, but what is three weeks out of seven months.

Senator MILLEN.—It would be very useful to the honorable senator if he wished to delay matters.

Senator MATHESON.—The honorable senator is foolish. I have no desire to cause delay, but I wish to see our business carried on upon a proper basis. I do not think we should go out of our way to deal with the question on this particular item. If a motion agreeing to the appointment of the committee of experts be passed by both Houses, there will be nothing to prevent the Government appointing the committee, and therefore Senator O'Connor's argument as to delay falls to the ground. On the other hand, if another place defers the passing of this item, appearances will be preserved, we shall maintain a proper principle of practice, and every one will or should be perfectly satisfied.

Motion negatived.

Senator PULSFORD (New South Wales).—I wish to draw the attention of the committee to the administration of the Customs department, especially in relation to the prosecutions which are being conducted in regard to which I asked a question this afternoon, and received a reply which, in my judgment, is very unsatisfactory. The newspapers in the various States have been publishing from week to week reports of cases in which merchants have been charged with passing false entries, and in which the presiding magistrates have said that there have been nothing but clerical errors on the part of the defendants, who have been fined the minimum under the Act, and called upon to pay only the minimum court fees. I have here a newspaper, published on Friday last, containing reports of three cases such as I have referred to, which came before the stipendiary magistrate in Sydney. In each of these three cases the minimum fine of £5 was inflicted. I see that in one case Mr. Cargill, who was acting for the Minister of Customs, said—"There is absolutely no allegation that there was any intention to defraud." When the prosecuting solicitor goes out of his way to inform the court that there is absolutely no allegation of fraud, surely it is time for Ministers to take notice of what is going on? This admission from the prosecuting solicitor was brought about by a statement from the bench that the merchants seemed to be "hunted like sparrows." I have no wish to waste time in this matter, but I do very earnestly desire to press upon the attention of Ministers the importance of at once taking steps to relieve even themselves of the opprobrium which must necessarily attach to their acts. Surely they have some respect for what we call honour, and yet here they are dragging into the courts almost every day of the week men whose honour is unimpeachable, and charging them with falsification, and we have magistrates dismissing the cases with the imposition of the minimum fine provided by the Act. That is not a state of affairs which can be allowed to go on. Only a few months ago I expressed the opinion to merchants to whom I spoke in Sydney, that were I placed in such a position and were such a charge levelled against me I should decidedly prefer to be imprisoned to paying a fine.

Senator O'CONNOR.—The honorable senator is of the stuff of which martyrs are made.

Senator PULSFORD.—I hope that a few merchants will have the pluck to go to prison instead of paying the £5 fine, and then perhaps Ministers will wake up to the evil of the course they are pursuing.

Senator PLAYFORD.—People ought to be more careful.

Senator PULSFORD.—I can tell the honorable senator something that occurred in New South Wales a few years ago. I had occasion to dispute some Customs returns. I inquired of the Collector of Customs in Sydney, and he replied several times that he would have the matter looked into. He did have the return looked into, and he told me that he found that a clerk had brought down £71,000 as £171,000, and this mistake of £100,000 had been carried on from the first to the second, third, and fourth quarters of the year, and appeared in the final total of the import of the goods in question for the year. That mistake of £100,000 was made by a Customs clerk, but I am sure that he did not suffer in his salary or his position on account of the error he made.

Senator PLAYFORD.—His figures should have been checked.

Senator PULSFORD.—I dare say they should; but a gentleman who has occupied the position of Minister of Customs as Senator Playford has done must know that it is impossible for business to be conducted, and entries to be made out, without a certain proportion of errors arising. In the case to which I have referred, a merchant had paid more money than he ought to have paid as the result of a mis-description of goods involving a higher rate of duty, and in another case less had been paid as the result of a mis-description involving the payment of the lower rate of duty. The merchant was charged with falsification where the error resulted in the payment of the lower rate of duty, but nothing was said in the other case, though one mistake is as liable to be made as the other. I know of another case in Sydney where entries for goods were passed by the Customs, and the importing firm finding out after everything had been settled that an error had been made, sent word to the Customs authorities, informing them of the error and of their desire to correct it and to pay in some small amount. What did the Customs authorities do? They levied a prosecution upon them at once. Such things

are simply infamous. They might be done under the régime of the Czar of Russia or of some other despotic power, but surely men of British blood and race will not put up with them very much longer. I hope Ministers will awake to what is going on, and will have these matters rectified.

Senator PEARCE (Western Australia).—I desire to raise the question of the treatment of rifle clubs in Western Australia and throughout the Commonwealth. From advices received by representatives of Western Australia, it appears that different treatment is accorded to members of rifle clubs and members of other branches of the defence force. We have been given to understand that the same facilities for rifle practice are not given to members of rifle clubs as are given to the members of other branches of the defence force.

Senator Lt.-Col. GOULD.—I should think not.

Senator PEARCE.—We have practically decided to have rifle clubs and to consider them part of our defence force, and that being so they should be given equal facilities for rifle practice with other members of the defence force.

Senator DRAKE.—In what respect are their facilities short?

Senator PEARCE.—I give the case of the Karakatta rifle range at Perth as a case in point. When members of the rifle club go to the range on Wednesday and Saturday afternoons for rifle practice they find that there is no room for them at the range. They have to stand aside for members of the defence force, who are given preference in every case.

Senator Lt.-Col. GOULD.—And who have duties cast upon them that members of rifle clubs have not.

Senator PEARCE.—No effort is made by the Defence authorities to supply additional targets, and the result is that members of rifle clubs are denied facilities for practice. If the Defence department cannot afford to provide more targets they should at least see that members of rifle clubs are given some opportunities for practice and that the existing targets are not monopolized by members of the defence force. Another grievance is that members of rifle clubs are not given the supplies of ammunition to which they are entitled by regulation in Western Australia. At Esperance a rifle

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club was formed some time ago. The members were promised ammunition time after time, but from latest advices they were still without it, though there has been plenty of time to have ammunition sent there. These men are willing to practise rifle shooting in order to be able to defend their country. They form the best class of defence we can rely upon in my opinion, and yet they are being practically denied any opportunity of becoming proficient rifle shots. I fancy that this is an evil resulting from the fact that we have professional military men at the head of our military system. It seems to me that they have not shown any cordiality towards rifle clubs, and have exhibited rather a spirit of jealousy towards them.

Senator Sir FREDERICK SARGOOD.—That has not been my experience.

Senator PEARCE.—It is the experience in Western Australia, and there is great dissatisfaction upon the subject throughout that State at the present time. Complaints are coming forward from many centres in Western Australia that members of rifle clubs are not supplied with ammunition and rifles, and are not given proper facilities for rifle practice.

Senator STANFORTH SMITH.—A higher price by 50 cent. is charged for ammunition in Western Australia than in any other State.

Senator PEARCE.—That is also a complaint. Only last week a Mr. Sparrow, who is a member of the National Rifle Association of Western Australia, was in Victoria upon business, and he was asked by members of the association to convene a meeting of Western Australian representatives in order to lay these facts before them. Unfortunately, the particulars as to the price of ammunition and other information forwarded to him by the association had been delayed, and he was not able to give us precise information, but the position, as he put it before us, is that members of rifle clubs in Western Australia are charged 50 per cent. higher for their ammunition than members of clubs in the other States; that they have great difficulty in getting ammunition and rifles, and that they are denied equal facilities for rifle practice with other branches of the defence force. If the Commonwealth does not wish to encourage rifle clubs let that be said plainly, but if we believe that they are essential for the defence of the country, let us give them the ammunition they require

and every facility for rifle practice. I hope that some inquiry will be made into the matter by Ministers in order that these grievances may be remedied.

Senator MATHESON (Western Australia).—There is an item of £3,000 under the heading Miscellaneous, in Division 177, to which I desire to call the attention of the Postmaster-General and honorable senators. If honorable senators take the trouble to turn up the Estimates which have been circulated, they will find at page 196, that this sum of £3,000 includes a sum of £1,906 for expenses in connexion with the choosing of the site of the federal capital of the Commonwealth. That is to say, expenses in connexion with the two trips of inspection that were made some time ago. So far as I can gather, this amount of £1,906 is in addition to the sum of £3,000 voted last April or March for the expense of those trips. Honorable senators will remember the discussion which took place at that time. First of all, when a sum of £2,000 came up in a Supply Bill, and we were told that £1,000 of that amount had been spent upon the senatorial trip, and that another £2,000 would be required for the trip to be made by the members of the House of Representatives, everybody considered that the vote proposed was very much larger than it ought to be. We were told at that time that there had been some amount of leakage in connexion with the trip made by honorable senators, but that matters would be very much better arranged, and economies would be effected in connexion with the trip to be made by members of the House of Representatives. But we find now that, instead of the £3,000 then voted being sufficient, there is an additional sum of £1,906 required, and that, as a matter of fact, the trips of inspection made by the members of the Federal Parliament have cost the country £5,000. I would ask honorable senators what we have to show for it? I do not suppose that any one has obtained more knowledge than he had when he read the reports furnished by the Government of New South Wales, and the best possible proof of that is that it is necessary to appoint a committee of experts to do certain work which ought to have been done before the trips were made. The result of this policy will be that the members of the Senate will have to inspect the sites which the experts may recommend. I

know, from what I have heard, that no one in the other House has the least conception that the two trips have cost £5,000. The item appears under the head of "Miscellaneous," and it is impossible for any honorable member to know what it refers to unless he looks up the Estimates. I know that if I move a motion for a request to amend the item it will not be carried, because there is an objection in the Chamber to requesting an alteration of an item in a Supply Bill. On several occasions a motion for that purpose has been negatived. This item might very well be referred back to the other House for further consideration, in order that the attention of its members might be called to the expenditure.

Senator O'CONNOR.—Surely the honorable senator does not suggest that the power of suggestion should be used simply to call the attention of the other House to an item?

Senator MATHESON.—I believe that it would lead to a large amount of discussion in the other House, and that its decision might be reversed. I move—

That the House of Representatives be requested to reduce the item, "Department of Home Affairs, Miscellaneous, £3,000," by £500.

I can withdraw the motion if the committee is not with me, or if any other suggestion is made.

Senator DRAKE.—If I had known that this question was going to be raised, I should have taken steps to obtain all the details of the expenditure. It is not so large as Senator Matheson supposes. It is not so much as £5,000, because the total amount, as given on page 24 of the Estimates, is £4,017, and this item relates to arrears; £3,000 was put down on the Estimates, but only a portion of that sum has been spent. The vote of £1,906 which is now asked for will complete the amount.

Senator MATHESON.—This is not a re-vote.

Senator DRAKE.—To a certain extent, it is a re-vote which is necessary to meet the whole of the expenditure which was incurred on the trips. No doubt the expenditure was much more than was contemplated or intended, because it was the first time that a trip of the kind had been organized. Perhaps if we had possessed the complete knowledge which was obtained afterwards, the trips might have been conducted at less expense. As it was, the expenditure was just over £4,000 instead of £3,000, as was

anticipated. This money has all been expended on the trips, and therefore I would ask Senator Matheson not to press his motion.

Senator MATHESON (Western Australia).—In every Supply Bill it has been the practice to draw our attention to any re-votes. For instance, in this Bill, at page 27, our attention is drawn to a re-vote of £75 in the Attorney-General's department. So far as any Member of Parliament could see, this item of £1,906 stands as a fresh vote to meet arrears. But if that is not the case, the Bill is very loosely drawn. Senator Drake has said that it was the first time a trip of the kind had been organized. I would remind honorable senators that it was preceded by the senatorial trip. All the pitfalls had been revealed, and we were told that the second trip was going to be carefully handled by the Minister for Home Affairs, that the greatest economy would be exercised, and that, proportionate to the number of persons to be carried, it would cost very much less than did the senatorial trip. We find that nothing of the sort has taken place, and yet Senator Drake solemnly gets up and says that it was the first time a trip of the kind had been made, and that in future we shall benefit by the experience of the last trip. What was the benefit of the experience gained by the senatorial trip? Did that trip do any good?

Senator DRAKE.—I think it did.

Senator MATHESON.—Yet we find that the expenditure based on the cost of the first trip has exceeded the estimate by nearly £2,000.

Senator DRAKE.—Senator Matheson has drawn my attention to a small item of £75, which is marked as a re-vote. I am informed that the vote lapsed absolutely, and that the item is therefore marked as a re-vote. But that practice is not adopted with regard to ordinary amounts which have been voted to pay a series of accounts. The honorable senator is wrong in saying that the estimated cost of the trips has been exceeded by £2,000. It has been exceeded by only £1,000. The amount of £4,017 includes a charge for the use of a special train—£900, I think—which has not yet been paid. It is still a question between the Treasurer and the Government of New South Wales whether we are entitled to pay that amount. It may not have to be paid: it depends upon whether the State Government insist upon being paid for the use of

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the special train. The expenditure on the trips was really not very much more than the estimate.

Motion, by leave, withdrawn.

Senator MATHESON (Western Australia).—Under the head of Department of Defence, I observe an extraordinary item of £5,731. It is an amount apparently due to Queensland on account of expenditure during the year ending 30th June, 1901. It is a contribution by three States to the defence of Thursday Island. As the Commonwealth took over the responsibility on the 1st March, it had to defray only the expenditure for three months of that year. Although the defence of Thursday Island costs £7,000 a year, yet the Commonwealth is liable in some peculiar manner to the Government of Queensland in the sum of £5,731. Apparently the intention of the Commonwealth is to debit New South Wales, Victoria, and Western Australia with the amount. It would be most interesting if the Postmaster-General would explain how this arose.

Senator DRAKE.—The honorable senator will see that the amount to which he has referred is what is due to Queensland for the period ended 30th June, 1901. We took over the Defence department on the 1st March, 1901. Under the Commonwealth Constitution, we took over the liabilities of the various States, and these amounts were owing to Queensland at the time of the transfer by the various States. New South Wales owed to Queensland £2,881; Victoria owed £2,484, and Western Australia £366. We took over those liabilities and made them good to Queensland.

Bill reported without requests: report adopted.

Motion (by Senator DRAKE) proposed—

That the Bill be now read a third time.

Senator PULSFORD (New South Wales).—Before the third reading of the Bill is carried, I wish to bring under the notice of the Senate a very serious state of affairs that has arisen in the administration of the Customs Tariff. It appears that duties which stand in the Tariff at 5 per cent. are being disregarded by the Minister.

The PRESIDENT.—Does the honorable senator think that that has anything to do with this Bill, which concerns the appropriation of revenue?

Senator PULSFORD.—I claim to be entitled to refer to it in connexion with the administration of the Customs department.

I do not know whether I am out of order or not, but I hope I am not.

The PRESIDENT.—The general rule is that all debates shall be relevant to the subject-matter of the Bill before the Senate. Inasmuch as the Senate has no opportunity of discussing general grievances, that rule has been relaxed so far as concerns the second reading of Bills which the Senate may not amend. But that relaxation of the rule does not apply any further. I think that we ought not to apply it any further. If I had applied the standing orders strictly, I should have ruled that on the second reading of a Supply Bill, no matter could be discussed unless it related to the subject-matter of the Bill. However, as I have said, that rule has been relaxed, and honorable senators have been permitted to discuss general grievances on the motion for the second reading of a Supply Bill.

Senator CHARLESTON.—That is the general practice.

The PRESIDENT.—That is not the general practice. The general practice in lower Houses of Legislature has been that, on the motion to go into Committee of Supply, general grievances may be discussed—not on the motion for the second reading of a Supply Bill. That is quite a different thing. But inasmuch as we, as a Senate, do not go into Committee of Supply, by consent of the Senate I have permitted general matters to be brought up on the motion for the second reading. I do not think, however, that that rule should be relaxed any further.

Senator Lt.-Col. GOULD.—If we are to have a ruling of that sort enforced in the Senate, it will absolutely destroy the usefulness of this Chamber so far as concerns the administration of the finances. I have had a long experience of parliamentary life myself, and in the Lower House of Legislature with which I am acquainted honorable members have a right, not only on the motion for going into Committee of Supply, but also on the motions for the second and third readings of Supply Bills, to refer to all matters, and to embrace everything that can be considered as being in the nature of a grievance. Senator Pulsford, as I take it, now contemplates alluding to the administration of the Customs department in regard to which provision is made in this Bill, in respect of salaries and the different requirements of the department.

Senator DRAKE.—This Bill has nothing to do with the Tariff.

Senator Lt.-Col. GOULD.—But the Bill provides for the salaries of the officers and for the administration of the department, and therefore I submit that the department comes under review. It would only be a fair and reasonable thing to allow the honorable senator to allude to the administration of a department.

The PRESIDENT. — Yes; upon the motion for the second reading.

Senator Lt.-Col. GOULD.—I take it that the third reading is another stage on which honorable senators are allowed to urge their objections to the administration of a department affected by the Bill, and to give their reasons for what they urge. If this Chamber is to be of use in connexion with financial matters, the fullest opportunity should be permitted to honorable senators to discuss those matters on a Bill of this character. Otherwise we shall have the adjournment of the House moved day after day in order to discuss matters that could be much better discussed in connexion with such Bills as this; or we shall have to make provision to have one day per month upon which to discuss grievances, which honorable senators may consider necessary to ventilate, in connexion with the administration of the affairs of the country. To admit that we are not to have the fullest opportunities in connexion with these matters would be a derogation of the power of the Senate in questions of finance.

Senator Sir FREDERICK SARGOOD.—Your ruling is, sir, that on the second reading only, reference may be made to matters such as Senator Pulsford is desirous of bringing forward. The practice has been to allow, in committee, reference to be made to these matters. That goes considerably beyond what you have already laid down; and the question is whether it should not go a little further, and be extended to the third reading of Supply Bills. It appears to me that, having conceded so much, both in regard to the motion for the second reading and during the whole time a Bill is in committee, surely it is not too much to ask for the opportunity of dealing with matters of complaint upon the motion for the third reading. I quite agree with Senator Gould that, unless that is conceded to us, the exercise of the powers of the Senate in financial matters—which is, to a certain extent, surrounded

with difficulty—would be made considerably more difficult. We want, instead of having our hands in any way tied, to have the fullest scope possible for dealing with matters of finance.

Senator Sir JOHN DOWNER.—I do not take quite the same view as does my honorable friend who has just sat down. We have to estimate our position by analogy with that of the other House. That is the stand that I have always understood we intended to assume and maintain. In the other House, on the motion to go into Committee of Supply, it is competent for any honorable member to ventilate any grievance he likes. But after honorable members have ventilated their grievances on the motion to go into Committee of Supply, and after the Bill has been introduced, their right to ventilate general grievances is ended, and they have to go through the Bill just as they go through any ordinary Bill.

Senator Sir FREDERICK SARGOOD.—That has not been our practice in Victoria.

Senator Lt.-Col. GOULD.—Nor ours in New South Wales.

Senator Sir JOHN DOWNER.—It has been our practice in South Australia, and I am sure that it is the practice of the House of Commons. There they ventilate grievances on the motion to go into Committee of Supply, and when the Bill is introduced, they deal with it with just the same restrictions and limitations as apply to any other Bill which does not relate to supply at all. Any other course would be disastrous, and the progress of legislation would be hopeless. No other practice would, I am sure, be contended for in the House of Representatives. They would never contend that after a Supply Bill had been introduced the general right to ventilate grievances remained. That right is exercised once for all before the Bill is introduced, and in committee it is dealt with like any other Bill. In the Senate we do not go into Committee of Supply, and we have insisted, and intend to insist, on due opportunity being given to us to ventilate every grievance in the same way as grievances are ventilated in the other House. We do that on the motion for the second reading. That is the time we ourselves selected. When we have passed the second reading of the Bill it is in the same position as in the other House, and we deal merely with the particular subjects contained in the Bill. On the motion for the third reading every honorable senator

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can undoubtedly discuss every item in the Bill, and everything pertaining to every item. He can contrast items that seem to show incongruities, can point out inconsistencies between one portion of the Bill and another, and can indicate what he regards as absurdities. The powers of honorable senators are absolutely limitless in that respect; but they must not discuss general grievances outside the scope of the Bill. The grievances discussed must all be within the four corners of the Bill. That is, I respectfully submit, the position that the Senate intended to assume, as I understand it.

The PRESIDENT.—The Standing Orders Committee, of which Senator Gould is a member, in their proposed new standing orders, adopted the following rule with regard to Bills which the Senate may not amend:—

The question "That this Bill be now read a first time" may be debated, and the debate need not be relevant to the subject-matter of such Bill.

That rule was provided for the specific purpose of allowing general grievances to be discussed. But to say that any grievances can be discussed at any other stage of the Bill seems to me to be going altogether too far. I do not think that Senator Pulsford is in order in discussing at this stage matters which are not relevant to the subject-matter of the Bill.

Senator Lt.-Col. GOULD.—May I ask whether that ruling would extend to an honorable member desirous of discussing the administration of a department for the service of which money is provided in the Bill?

Senator PULSFORD.—That is the point. I do not desire to refer to general grievances, but to grievances concerning the administration of the Customs department, for which items are included in the Bill.

The PRESIDENT.—I am exceedingly anxious to give the Senate similar opportunities to those which the House of Representatives has of discussing every matter, but I do not think we should go further than the House of Representatives themselves go. The question of whether honorable senators should be able to discuss the administration of a department, the salaries for which are voted in the Bill, is very difficult to answer. Under the circumstances, seeing that we have not got any definite standing orders, I think I

shall allow Senator Pulsford to bring forward the matter he wishes to mention; but I must ask him to confine his remarks as far as possible to the subject-matter of this Bill, and not deal with any other grievances.

Senator PULSFORD.—The matter to which I wish to direct attention is one of gravity, and I think I am warranted in bringing it before the committee. It affects the Customs administration of the Tariff, passed only a few weeks ago. I find that whilst the Tariff provides that there shall be a duty of 5 per cent. on corduroy, drills, galateas, moleskins, and denims, the Customs have decided that a duty of 15 per cent. shall be paid, and that that rate of duty is being collected at the present time.

Senator Sir JOHN DOWNER.—I submit that the honorable senator is out of order in discussing this matter.

The PRESIDENT.—I wish to allow every possible latitude, and to err, if I err at all, on the side of allowing the freest possible discussion. I therefore do not feel disposed to stop the honorable senator.

Senator PULSFORD.—At page 12 of the Customs Tariff Act, we have under the heading of piece goods—

Velvets, velveteens, plushes, galloons, ribbons, lace, lace flouncings, millinery nets, and veilinga— all kinds and materials, *ad valorem*, 15 per cent.

I will not trouble the committee with all the items, but merely point out that some of the duties which were passed by Parliament are now being ignored, I understand, by the Customs authorities, and that the Czar of the Custom-house, Mr. Kingston, has ruled that other duties shall be levied. People are being compelled to pay those substituted duties without having any power of redress. They have no power to appeal from the Czar of Trade and Customs, because there is no High Court. The matter is a serious one, and the traders of the country have an absolute right to have these questions decided. Just as the Minister has promised to-day that a Bill will be introduced to allow of the temporary adjustment by the States courts of claims by private citizens against the Commonwealth, so I think the Ministry should make an arrangement whereby disputes in regard to duties may be settled. The Minister for Trade and Customs should not have the power, at his own sweet will, to levy duties which are disputed at the present time. This is an

important matter, and I earnestly ask the Vice-President to give it his consideration. It should be dealt with in a way that is fair to the Customs and fair to the traders of Australia.

Senator O'CONNOR.—I expected the honorable senator to make a statement of some particular grievance.

Senator PULSFORD.—I have done so. My complaint is that goods which are free under the Tariff are being made liable to duties, and that goods which are liable to a duty of 5 per cent. under the Tariff, are being subjected to a duty of 15 per cent. If that is not a grievance, I do not know what is.

Senator O'CONNOR.—That is a very general statement. It simply means that there is a difference of opinion between the importers and the Customs authorities. That is not unusual. How is the matter to be settled? The Customs Act provides the way. Section 167 sets forth that—

If any dispute shall arise as to the amount or rate of duty, or as to the liability of goods to duty, the owner may deposit with the Collector the amount of duty demanded, and thereupon the following consequences shall ensue :—

- (1). The owner upon making proper entry shall be entitled to delivery of the goods.
- (2). The deposit shall be deemed the proper duty, unless by action commenced by the owner against the Collector within six months after making the deposit the contrary shall be determined, in which case any excess of the deposit over the proper duty shall be refunded by the Collector to the owner with five pounds per centum per annum, interest added.

That is the provision which we made to meet cases of this kind. Why should not the persons who consider they have a grievance follow the provisions of the law? If there is a dispute between the Customs authorities and an importer, surely the Customs officials cannot be expected to refrain from collecting the duty in question. If they did, where would their remedy be? On the other hand, if the duty is deposited, and there is any real doubt about the question, it can be submitted to the court and decided by it.

Senator PULSFORD.—What court?

Senator O'CONNOR.—Any court.

Senator Lt.-Col. GOULD.—Surely we have a right to discuss the matter.

Senator O'CONNOR.—The honorable and learned senator misunderstands me. I am not objecting to a discussion of the

matter here. I am courting discussion, and, if I may say so, I am thoroughly in accord with the position which the Vice-President has taken up in this matter. The point which would point out is that if there be a difference of opinion between the Minister or the Customs officials and an importer as to whether duty should be collected—or, in other words, a difference of opinion as to the interpretation of the law—it can be decided only by a court of law. The principle is that such questions are to be decided before the court is laid down. The point of it is that the duty in dispute is not paid in the first instance; and if the court decides that the duty has been improperly charged a refund will be made. On the other hand, the court decides that the duty has been properly charged it is retained. What is to prevent the importer from thinking they have a grievance from the action? Proceedings may be taken in the court. Perhaps the honorable senator thinks that in these matters the position is the same as in the case of an action against the Commonwealth. In these cases, however, the collector of Customs and not the Commonwealth can be sued. The Commonwealth cannot be sued except under certain provisions, and in order to meet that difficulty we are introducing a Bill in another place. In matters such as those referred to by Senator Pulsford, it is provided that the collector shall be sued. The section says—

The deposit shall be deemed the proper duty, unless by action commenced by the owner against the collector within six months after making the deposit, the contrary shall be determined. The collector in Melbourne may be sued in Melbourne, and the collector in Sydney may be sued in Sydney.

Senator Lt.-Col. GOULD (New South Wales).—There can be no doubt that Senator O'Connor is absolutely correct in saying that there is power for a person aggrieved in regard to any duty to have his grievance rectified by a proper court. But if there are well founded and numerous complaints in regard to the administration of a department, surely Parliament has a proper place in which to bring those complaints. I admit that it would be hardly worth while to bring forward a single grievance, but we cannot shut our eyes to the fact that, rightly or wrongly, complaints are to be heard right and left in regard to the administration of the Customs.

I therefore submit that it is clearly within the rights of every honorable senator to bring the question up for our consideration, although a law court is the proper place in which to have the dispute determined. In these circumstances, I do not think Senator Pulsford is open to any animadversion for bringing this matter forward at the present time, although the question can be ventilated when we have the Appropriation Bill before us. No doubt it would be better to deal with it then, more especially as we know that the measure will be before us within a reasonable time. If we did not expect to receive it for another six months, the position would be different; but in the present circumstances I think it would be well to allow the matter to stand over until the Appropriation Bill is before us.

Question resolved in the affirmative.

Bill read a third time.

Senate adjourned at 6.14 p.m.

House of Representatives.

Wednesday, 24 September, 1902.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

PARLIAMENTARY ALLOWANCES BILL.

Mr. JOSEPH COOK.—Is it the intention of the Government to proceed with the Parliamentary Allowances Bill this session?

Mr. DEAKIN.—Yes. Attention was called to the fact that it is doubtful whether two or three of the clauses in the Electoral Bill already passed, which relate to the time from which the payment of allowances to members shall commence, are covered by the order of leave, and it is therefore intended to eliminate them from that Bill and to enact their provisions in a separate measure.

BUGLERS FOR SOUTH AUSTRALIA.

Sir LANGDON BONYTHON.—As the members of this House know very well, South Australia has for some time past been suffering from an invasion of drill instructors, but it seems likely that that invasion will soon be forgotten by reason of another, compared with which the effects of the recent earthquake will lose all significance. Among the documents laid upon

the table yesterday by the Treasurer, there are Estimates of revenue and expenditure, from which it appears that the Government intend to send 721 buglers to South Australia. I have no idea why they are to be sent there, unless it be to keep up the courage of the drill instructors. I have risen to ask the Acting Minister for Defence if he can explain the matter.

Sir WILLIAM LYNE.—What the honorable member draws attention to may be merely a clerical error. Provision is made in the Estimates for the payment of the drill instructors to whom he has referred, but there is no intention to send to South Australia any more instructors, nor, so far as I am aware, any more buglers.

Sir LANGDON BONYTHON.—Is the Minister sure that the responsibility in this matter does not lie with the Major-General, and not with him?

PURCHASE OF RIFLES.

Mr. CROUCH.—Has any money been sent to England to purchase Lee-Metford or other rifles; and, if so, what was the amount sent?

Sir GEORGE TURNER.—£25,000 was provided on last year's Estimates for the purchase of rifles, and, following the usual practice, it has been paid into the State Treasury of Victoria, to be held in a trust account, and money will be provided in London when it becomes necessary to pay for the rifles ordered. As to the kind of rifle purchased, that is a matter which is not within my province.

Mr. CROUCH.—Has the attention of the Minister for Home Affairs been called to the fact that Colonel Templeton, the officer commanding the rifle clubs in Victoria, has been able to get 100 of the best rifles now used in the British army for £4 2s. 6d. each? If so, can the honorable gentleman explain why the Commonwealth Government should pay £5 each, or an extra 17s. 6d. upon every one, when ordering 5,000 rifles, or 50 times as many as were purchased by Colonel Templeton?

Sir WILLIAM LYNE.—My attention has not been directed to the matter. The rifles obtained by the department are purchased through the War Office, by whose recommendations we are guided as to the class of rifle and the price, which, I believe, is fixed by tender. It seems to me that if Colonel Templeton has purchased rifles for £4 2s. 6d. each, they are not likely to be of

as good quality as those ordered by the Government, or else the War Office has been led astray in the matter. However, I shall make inquiries on the subject.

DUTY ON TAPESTRY.

Mr. GLYNN.—It was stated in the South Australian newspapers the day before yesterday that as much as £140 was paid as duty upon a tapestry imported by Mr. Brookman. I ask the Minister for Trade and Customs whether a reasonable construction cannot be put upon the Customs Tariff Act which would allow the omission of such works of art duty free?

Mr. KINGSTON.—The only descriptions of property admissible as works of art are statuary and paintings. Tapestry is not so admissible, and is dutiable under the heading of textiles.

PREFERENTIAL RAILWAY RATES.

Mr. GLYNN asked the Minister for Home Affairs, *upon notice*—

1. Whether he has yet received, from the Premiers of the States concerned, a reply to his communications on the question of abolishing by consent railway rates against the spirit of the Commonwealth Constitution?

2. Whether he will inform the House of the terms of the letters sent to the State Premiers, and of any replies received?

Sir WILLIAM LYNE.—In reply to the honorable and learned member's questions—

1 and 2. The attention of the Premiers was invited to the charges made for carriage of goods by rail, and they were asked whether they had under consideration the continuance of such rates, and whether they proposed to attempt any arrangement with the other States, with a view to the nearer assimilation of rates, than at present exists. The Premiers of New South Wales and Victoria have acknowledged the letters, and the Premier of South Australia has asked for further particulars.

Mr. GLYNN.—I saw the honorable gentleman's letter to the Premier of South Australia. It was too ambiguous.

Sir WILLIAM LYNE.—It was not thought so by the Premiers of New South Wales and Victoria.

COMMONWEALTH DEFENCE.

Mr. O'MALLEY asked the Acting Minister for Defence, *upon notice*—

1. Whether he has read in the *Age* the military defensive-offensive policy?

2. Whether, as reported in the *Age*, Major-General Sir Edward Hutton has obtained the approval of the proposed scheme to

establish the Commonwealth military forces on a defensive-offensive basis?

3. Does the Minister believe that the Commonwealth would be benefited by offensive operations?

4. Does the Minister think that in the event of war between Germany and England, and in the event of Ecuador, Bolivia, Cuba, and Nicaragua threatening to assist Germany, Major-General Hutton would despatch the Australian army against the nations assisting Germany?

5. If Germany discovered that the Australian Army was at sea, would she not immediately despatch a flying squadron to shell Melbourne or Sydney?

6. In the event of Germany despatching a flying squadron to Australia, would Major-General Hutton be able to recall the Australian Army at sea by wireless telegraphy, or would the General have accompanied the army, and also be "at sea"?

Sir WILLIAM LYNE.—In reply to the honorable member's questions—

1. No.

2. I have not approved of any scheme for undertaking offensive operations.

3. This would depend upon circumstances.

4. He has no such power.

5. That depends upon the German Emperor.

6. I must refer the honorable member to Mr. Marconi.

Mr. PAGE asked the Acting Minister for Defence, *upon notice*—

Whether the Government has given sanction to that part of Major-General Hutton's report which refers to the use of Australian troops outside the Commonwealth for offensive purposes?

Sir WILLIAM LYNE.—I wish to preface my formal answer to this question with the remark that I consider it a very important one—

I informed the General Officer Commanding on 5th August, 1902, that I could not agree with any proposal to give control, or implied control, over Australian troops to any but the Commonwealth authority; and pointed out that whilst, as in the case of South Africa, circumstances may arise in which it may be desired to send abroad a volunteer force, expenditure cannot at present be incurred on the maintenance of an establishment based on any considerations of undertaking such external operations. In reply to this, the General Officer Commanding stated that he never intended that any paragraph in his memorandum above referred to should bear that construction.

I had not time to look carefully through the document until the date mentioned, but when I did so, I considered that it advised an implied power of permission, and I at once took an opportunity to remove from the mind of the General Officer Commanding the impression that the Government, or Parliament, would, for a moment, consent to such a proposal.

UNIVERSITY OF MICHIGAN LIBRARY

RAL CAPITAL SITES.

LLER asked the Minister for Home Affairs, *upon notice*—

Is it the intention of the Government to send six or seven persons on the commission to inquire into the question of the proposed capital sites?

Is it intended that each State should be represented on the commission?

Does the Government intend going outside Victoria for service for all or any of the appointments?

LIAM LYNE.—In reply to the honorable and learned member's question—

3. I would invite the honorable member to draw attention to the notice of motion upon the subject standing in my name.

It will be moved at the first opportunity when I move it I shall make reference to the number of commissions.

AN IRRIGATION WORKS.

LYNN asked the Acting Prime Minister, *upon notice*—

Is he aware that—

The Government of Victoria has called for tenders for the construction of a reservoir at the end of a length of channel as part of the scheme known as the Goulburn Mallee

channel when completed will be 110 feet wide and 7 feet deep, and be capable of discharging 3,000 cubic feet of water per minute into the Goulburn to the reservoir?

In connection with the construction of an eastern branch of the Goulburn, the construction of an eastern branch capable of diverting 20,000 cubic feet of water is under consideration by the Victorian Government?

Would combined diversions capable of being made by the two channels exceed the whole of the Goulburn in a year of low discharge?

Would the supply to these channels be to be supplied by the construction of a channel capable of discharging 40,000 cubic feet per minute from the Goulburn at a point about 12 miles below the mouth?

Have there been made to the Government of Victoria by the Governments of New South Wales and South Australia against

steps being taken for diversions that might affect the rights of other States, pending the presentation of the report of the Inter-State Royal Commission?

And to ask whether, to safeguard the interests of the Commonwealth under the commerce clauses of the Constitution, the Prime Minister will add to the proposed South Wales and South Australia Bill of the Commonwealth?

Any protest by the Commonwealth?

EAKIN.—I have not checked the accuracy of the statements of fact contained in the question, but assume them to be correct. Any protest by the Commonwealth

which conveyed no indication of the attitude we are prepared to assume would be unavailing. The honorable and learned member is as well aware as any representative in this Chamber that of all the obscure provisions in the Constitution, those relating to the powers of this Parliament in regard to its control of water supply are among the most difficult. However, I propose to give the complex issues attaching to the sections in question my attention at the earliest moment of leisure, and, having formed a judgment as to the powers of the Commonwealth in this particular regard, shall be prepared to advise as to the protest, if any, to the Government of Victoria.

Mr. THOMSON asked the Minister for Home Affairs, *upon notice*—

Referring to the inquiry made on the 10th instant regarding the extensive irrigation scheme about to be commenced by Victoria in the Murray Valley; also to his reply that the Commonwealth has only to do with navigation, and that conservation questions must be settled between the States themselves, will he, after consideration of sections 98 and 100 of the Constitution Act, say—

1. Whether, in the preservation of navigation, it is not the right and the duty of the Commonwealth to inquire into, and approve or oppose as inquiry may justify, State enterprises for the storage or abstraction of the waters of navigable rivers or their affluents?

2. Whether, in the interests of the Commonwealth and of the constructing State, it is not desirable that the inquiry shall precede rather than follow construction?

3. Whether a "reasonable" use does not imply that there shall be no undue abstraction by one State to the disadvantage of others interested of the water available for conservation and irrigation?

4. Whether the Commonwealth cannot, if need be, prevent by law the "unreasonable" use of such water?

5. Whether the report of the Royal Commission on the Murray River, now sitting, is not likely to assist in the determination of what is reasonable as regards the very waters being dealt with by the Victorian scheme?

6. Whether he will see that the necessary steps are taken to safeguard the interests of the Commonwealth and of each of the States concerned?

Sir WILLIAM LYNE.—This question is, to a certain extent, connected with that just asked by the honorable and learned member for South Australia, Mr. Glynn. In reply to it, I desire to say—

1. I believe it is the constitutional right, and if the navigability of the river was to be interfered with, it is the duty. But it may be that no action can be taken until a law is passed dealing with navigation or the High Court is established.

2. There is no necessity for inquiry unless it is apparent that the effect in No. 1 question will be produced. But even if works for excessive diversion of water are completed, the Commonwealth can prevent its being taken.

3. The Commonwealth has nothing to do with the point raised as between States, when it does not interfere with navigation.

4. No, unless affecting navigation.

5. I think it is so.

6. Only as far as navigation is concerned.

ELECTORAL BILL.

Bill returned from the Senate, with the following Message:—

The Senate returns to the House of Representatives the Bill for "An Act to regulate Parliamentary Elections," and acquaints the House of Representatives that the Senate has agreed to the amendments of the House of Representatives, Nos. 1, 3, 4, 5, 7 to 20, 26, 29, 31 to 40, 42 to 57, 59 to 85, 89 to 94, 96 to 98, 100, 101, 103, 105 to 109, 111 to 113, 115 to 118, 120 to 138, 142, 144, 163 to 179, 181 to 191, and 193 to 195; has agreed to amendments Nos. 25, 28, 30, 41, 88, 95, 99, 102, 104, 140, and 143, with the amendments indicated in the annexed schedule; has disagreed to amendment No. 141, amending clause 182, as indicated in the annexed schedule; has agreed to part and disagreed to part of amendment No. 110, and made a consequential amendment in clause 146, as indicated in the annexed schedule, and for the reason set out therein; and has disagreed to amendments Nos. 2, 6, 21 to 24, 27, 58, 86, 87, 114, 119, 139, 145 to 162, 180, 192, and 196, for the reasons assigned herewith.

Resolved (on motion by Sir WILLIAM LYNE)—

That the Message be taken into consideration forthwith.

In Committee (Consideration of Senate's Message):

Clause 26 (Polling places).

Sir WILLIAM LYNE (Hume—Minister for Home Affairs).—As amended in this Chamber the clause provides that no polling place shall be appointed after the issue of the writ and before the time appointed for its return. It is now proposed by the Senate to substitute the word "closed" for the word "appointed" where first occurring, so as to provide that no polling place shall be closed after the issue of the writ. Power is given in the clause to appoint polling places wherever they may be necessary, and the restriction which prevents the appointment of a polling place after the issue of the writ will now be removed. I do not consider the amendment very important. I therefore move—

That the committee agree to the Senate's amendment.

Motion agreed to.

Clause 33 (Persons entitled to have their names on roll).

Sir WILLIAM LYNE.—In this clause we inserted the proviso that—

Any senator or member of the House of Representatives shall, if he so desires, be entitled to have his name placed on, and retained on, the roll for any division he represents instead of the roll for the division in which he lives.

The Senate have amended the proviso by omitting the word "or" and inserting in lieu thereof the words—

"shall if he so desires be entitled to have his name placed on or retained on the roll of any one division of the State he represents instead of the roll for the division in which he lives, and that any"

The amendment will make the provision somewhat more clear so far as senators are concerned. The object of the provision is to prevent any senators or members of the House of Representatives from having their positions jeopardized through non-residence in the electorates which they represent. I move—

That the committee agree to the Senate's amendment.

Motion agreed to.

Verbal amendment of amendment in clause 35 agreed to.

Clause 57 (Addition of new names).

Sir WILLIAM LYNE.—The amendment in this clause is not a very important one. The clause provides that new names may be added to the rolls, pursuant to lists prepared by the Commonwealth electoral officer in each State. The Senate now propose that the additions to the rolls shall be made pursuant to lists "prepared by the returning officer for each division." I move—

That the committee agree to the Senate's amendment.

Mr. GLYNN (South Australia).—I do not think this clause is quite correct, although I do not very well see how we can alter it at this stage. As it stands it provides that new names may be added to the rolls pursuant to lists prepared by the Commonwealth Electoral Officer in each State. The amendment proposed by the Senate is a proper one to make, but the lists referred to are not used for the purpose of correcting the rolls. They actually constitute the rolls. After the lists prepared by the electoral officer have been before the court of revision, they constitute the roll. These lists are supplied by the returning officers; they form

ESTIMATED APPROPRIATE TO 1905-1906

of the rolls, and are not after-
 right forward for the purpose of
 them. We should not have
 paragraph (c) in the form in which
 out the alteration made by the
 improvement.

ATSON (Bland).—We have pro-
 the Bill that lists shall be pre-
 nentially, independently of any
 may be made for additions to
 that the rolls shall be purged
 years.

ix.—We have abolished the pro-
 was originally made for the pre-
 lists triennially.

ATSON.—I was not aware of
 not see why a preference should
 the returning officer.

AM LYNE.—I do not think the
 is very important.

CAY (Corinella).—It is impor-
 extent, that we are introducing
 at—preparing authority. The
 ch relate to the preparation of
 er to the Commonwealth Elec-
 as the compiler. Of course we
 the returning officers actually
 lists, and that the Common-
 toral Officer adopts them, but I
 hat if we accept the amendment
 te some difficulty may arise.
 agreed to.

19A (Voter whose sight is im-

LIAM LYNE. — This clause
 at, where blind persons are un-
 te without assistance, the elec-
 or may, if so desired, mark the
 ot-paper as the elector may
 and read over to him the
 on the counterfoil. I was at-
 ted to object to the amendment
 he last provision, but it was
 t to me that there was no pro-
 in the schedule for printing the
 on the counterfoil. The amend-
 not very important. I move—

committee agree to the Senate's

agreed to.

28 (Substitute).

LIAM LYNE.—This clause
 ed in this Chamber to provide
 presiding officer might appoint
 re assistant presiding officers
 him in presiding at any com-
 n a polling booth. The Senate

now propose that the words "compart-
 ment in a" be omitted, and as amended
 the clause will provide that the presiding
 officer may appoint one or more assistant
 presiding officers to assist him in presiding
 at any polling booth. The omission will
 lessen the risk of complications. I move—

That the committee agree to the Senate's
 amendment.

Consequential amendment of amendment
 in clause 137 agreed to.

Motion agreed to.

New clause 139A (Electors to vote for
 division in which they live).

Verbal amendments agreed to.

New clause 140A—

Any elector may vote at the polling place
 for which he is enrolled, or if he is absent
 from the polling place for which he is enrolled,
 may vote at any other polling place for the same
 division, if he makes and signs before the
 presiding officer a declaration in the form R1
 in the schedule.

Sir WILLIAM LYNE.—This is a very
 important clause, and if my memory serves
 me accurately, I think that on a previous
 occasion the honorable member for Bland
 desired to insert a somewhat similar pro-
 vision in the case of elections for the
 Senate, and of elections in which a State
 voted as one constituency for the return
 of members of this House. At that time I
 strongly objected to making any such law,
 consequently the provision was made ap-
 plicable only to electorates for the House
 of Representatives. The Senate has taken
 exception to that proposal, and has amended
 the clause by the omission of all the words
 after the word "elector," line 1, and the
 insertion in lieu thereof of the following
 words:—

"when voting at a polling place at elections
 for the Senate or for the House of Representa-
 tives shall, except as provided in sub-section (2)
 of this section, only be entitled to vote at the
 polling place for which he is enrolled.

"(2) Provided always that the regulations
 under this Act may provide facilities for enabling
 electors to vote at elections for the Senate or for
 the House of Representatives at other polling
 places within the State in which the election is
 held, and may provide for all matters (not incon-
 sistent with this Act) necessary or convenient to
 be prescribed for the purpose of carrying this part
 of this section into effect, and in particular for the
 following matters:—

- (a) The form of ballot-paper to be used ;
- (b) The method of dealing with the ballot-
 papers ; and
- (c) The allowance or disallowance and count-
 ing of the ballot-papers."

I had a consultation upon the matter with the Minister in charge of the Bill in the other Chamber, and, as a result, this clause conferring upon electors the right to vote at any polling place within a division, where that course can be adopted without incurring any undue risk of impersonation, has been agreed to. I was induced to agree to the amendment of our amendment because of its permissive character.

Mr. THOMAS.—Supposing that the Ministry of the day find that the system will work in the case of elections for one House, but not in the case of elections for the other?

Sir WILLIAM LYNE.—Then it will be applied only to elections for the one House. Personally I think it would work in cases where a State is not too large. The system was tried in connexion with the federal elections in Tasmania, and also to a certain extent in the case of the Queensland elections. Since that time, however, it is rather significant that in Tasmania a new Electoral Act has been passed which does not include any such provision.

Mr. WATSON.—That is because the honorable member for Tasmania, Mr. O'Malley, was elected to this House.

Sir WILLIAM LYNE.—I do not know whether that is so or not. I do not wish to prevent these facilities from being provided in cases where there is no danger of their being abused, and that is why the clause stands in its present form.

Mr. POYNTON.—Is there any limit imposed as to the distance which an elector must be from a polling booth before he can avail himself of this facility?

Sir WILLIAM LYNE.—I think that the distance was previously fixed at five miles, but that provision has been struck out. In certain electorates the proposal would perhaps work very well, but in the northern portions of Western Australia and Queensland, as well as in New South Wales, where there is a long water frontage, and where men move about very freely, we require to be exceedingly careful if we are to prevent impersonation. That is my feeling in reference to this matter. If it is found that the system can be worked in South Australia, but not in the Northern Territory, power is given under the Bill for the issue of a regulation which will permit of these facilities being granted to the former, and not to the latter. In this matter I am desirous of meeting both the Senate and

the members of this House as far as possible, but I am averse to being bound by any clause which will render it impossible that we should provide these facilities in cases where that course may be almost impracticable.

Mr. WATSON (Bland).—I think it is something to be said in favour of the details regarding the granting of an additional facility to voters to be provided by regulation. Some time ago I made a suggestion that the general principle should be safeguarded by providing a form of declaration which an elector would be required to sign before being permitted to vote. Of course, I admit that it might be found that such a system would not offer a sufficient safeguard against impersonation. It might be a wise course to have regulations sufficiently elastic to allow of alterations being made in the method of voting. At the same time, it might be found that the Ministry of to-day were willing to grant additional voting facilities, their successors a few months later, might wish to restrict election through under conditions which would be to their own advantage, and therefore, refuse to issue the necessary regulations. It is very unwise to surrender the exercise of the franchise with such conditions. I therefore move—

That the Senate's amendment be amended by the omission of the word "may," which is occurring in sub-clause (2), with a view to inserting in lieu thereof the word "shall."

Whilst it would then be imperative that facilities for voting outside of any elector should be provided, all the details relating to those facilities would be prescribed by the Minister under regulation. The Minister would still retain control of the safety of the system, which, in his opinion, were necessary to prevent impersonation, and the Minister would have some guarantee that the facilities would be open to every elector desirous to take advantage of them. In connexion, I desire to call attention to a provision in the New South Wales Electoral Act. The Minister for Home Affairs was a member of the State Government in 1899 when that Act was passed. In that Act a section was inserted providing that in certain places for certain electorates might be proclaimed by regulation outside the boundaries of those electorates. I ask the Minister to say from his experience whether that provision was availed of until the last election? I contend that it remained

because the Ministry of the day were not particularly anxious that the extra facilities should be given. At the last election in New South Wales, Sydney made a polling place for a number of electorates, but in many cases a less number of votes for outside electorates were secured in the capital than would have been secured in other parts of the State. I think that in my own district quite a number of people who were there on business, who were entitled to vote for other electorates, could not do so. This facility for exercise of the franchise was restricted to Sydney, apparently, because the Government wanted to give their pastoralist friends who were tending the sheep sales there an opportunity of voting, although they did not allow any one else to enjoy the same advantage. It appears to me that while it was not allowed to the Executive to alter the regulations as frequently as may be found necessary, we should make it imperative that equal facilities should be provided. I strongly urge upon the committee the advisability of agreeing to the amendment. By so doing we should place it beyond the caprice of any Minister to determine whether or not this broad principle should be given effect to. With that object in view I submit the amendment.

SIR WILLIAM LYNE.—I hope that the honorable member will not do that.

MR. WATSON.—Why?

SIR WILLIAM LYNE.—Because it is a very important amendment, which affects the principle of the Bill, and I should take it as

MR. WATSON.—Surely the Minister must admit that there is a very considerable distinction between the clause in its present form and the provision which was passed in the House upon his own initiative, and which gave to electors who might be absent from their own particular polling places an opportunity to vote at any polling place of their division? The honorable gentleman should recollect that he is not going to be in office for all time, and his successor may not be so sympathetic as himself. It is the general principle of providing facilities for voting. At any rate, I hold it to be unfair to subject the people of the Commonwealth to the caprice of Ministers of the day. In the New South Wales Electoral Act a similar permissive provision was never made to the advantage of.

SIR WILLIAM LYNE.—It was never there.

MR. WATSON.—There is a provision in the New South Wales Electoral Act of 1893—which is still in force—which allows the Executive to proclaim polling places for any electorate outside that electorate, but it was taken advantage of by the Government of the day only when it suited them to give their squatter friends an opportunity of voting. I have no objection to squatters being allowed such an opportunity, but I claim that equal facilities should be offered to all. At no general election prior to the last one was Sydney made a polling place for other electorates.

SIR WILLIAM LYNE.—Yes, it was, upon twenty different occasions.

MR. WATSON.—It was not made a polling place for country districts under the new Electoral Act?

SIR WILLIAM LYNE.—I had to attend to the matter, so I know all about it.

MR. WATSON.—However, that consideration does not touch the general principle, that the permissive sections of the New South Wales Act were not availed of in respect of those districts in which it was most necessary that they should be given effect to. Therefore, we should make it imperative that these regulations should be issued, subject always to the right of the Executive to alter the form and number of safeguards which they may consider necessary to prevent impersonation.

MR. EWING.—Voting by post helps the honorable member a little.

MR. WATSON.—My impression is that voting by post does not help at all. Voting by post is a conservative dodge all the time, and I am not in favour of it. At any rate, we are not discussing that at the present time, but another question altogether. In my opinion, this matter should not depend on the will of individual Ministers, no matter who they may be or which side of politics they represent.

SIR WILLIAM LYNE.—I cannot accept the Bill with the amendment.

MR. WATSON.—I cannot help that, but it is very peculiar that the honorable gentleman should assume such an attitude. A few weeks ago the Minister introduced a clause allowing a man, on making a declaration to vote in any part of his division, and it must be remembered that some divisions are as large as Tasmania. The honorable member for Coolgardie has a division as large as Queensland, and the constituency of Maranoa is big enough to

take in several Tasmanias. That clause was very properly passed, and now when the Minister is to be given control of all the safeguards, and allowed to vary those safeguards, time and again, after every general election, just as he thinks fit, he informs the committee that he will drop the Bill sooner than consent to my amendment.

Sir WILLIAM LYNE.—I shall.

Mr. WATSON.—This strikes me as the case of a man "straining at a gnat and swallowing a camel."

Sir WILLIAM LYNE.—No; it is not.

Mr. WATSON.—In any case, I intend to press my amendment.

Sir WILLIAM LYNE.—The honorable member wants to wreck the Bill.

Mr. WATSON.—I do not want to wreck the Bill, but I want to wreck the opportunity of a Minister or anybody else using this measure for his own ends. It should not be left in the hands of a Minister to proclaim polling places at his own sweet will, in order to suit his own particular shade of politics. The Chamber should insist that this provision be fixed, and not subject to the will of the Ministry of the day. One of the worst features of every electoral Act so far is that Ministers are allowed to fix up these matters to suit themselves or the party to which they belong, and as a matter of principle such a condition of things should be prevented. In this instance I do not go to the extreme I proposed a few weeks ago.

Sir WILLIAM LYNE.—The honorable member goes a little further in this amendment than ever he went before.

Mr. WATSON.—I proposed a few weeks ago that an elector, on signing a declaration, should be allowed to vote for his electorate in any part of the State. I now suggest that it shall be imperative to provide by regulation, facilities by which an elector may vote wherever the regulations allow him to vote, and under whatever safeguards the regulations may provide. There is a very wide distinction between that and the former proposal, though the present amendment is in favour of the Minister's contention to the extent that a large amount of power still remains with him. But it ought to be imperative on the Minister to provide some facilities, it being left to him to say what the facilities shall be, and the manner in which they may be taken advantage of. I trust the committee will see that it is proper to take out of the hands of the Ministry the

regulation of these matters pertaining to the whole of the elections. Such a power is a prolific source of corruption in some places. I do not say it is a source of corruption in Australia, because we can pride ourselves on reasonably honest administration of these matters in this country. But in some places the power is admittedly a prolific source of corruption and gerrymandering, and experience has shown that these matters should not be left to the control of Ministers, who may act according to the circumstances of the moment.

Sir WILLIAM LYNE.—The honorable member knows what the effect of his amendment will be?

Mr. WATSON.—I shall take all the consequences; if the Minister adopts a certain attitude, other people can do the same. Honorable members will see that all details still remain in the hands of the Executive of the day, but the duty is made imperative that they shall provide facilities.

Sir WILLIAM LYNE.—I regret very much that the honorable member for Bland has taken the extreme course of submitting this amendment. I have done all I can to meet the desires of what is called democracy, which the amendment, it seems to me, will have a tendency to destroy. There is a vast deal of difference between a division for the House of Representatives and a division for the Senate, the latter consisting of a whole State.

Mr. BROWN.—But some of the divisions for the House of Representatives are as large as some States.

Sir WILLIAM LYNE.—That may be so. I thought I was going too far when I agreed to a proposal of the kind in connexion with divisions for the House of Representatives. But now we have to deal with South Australia, including the whole of the Northern Territory, and with the whole of Western Australia and Queensland, with immense seaboard. If the amendment were carried we might have a repetition of what has taken place in New South Wales to a great extent. In New South Wales men have been taken from ships—

Mr. G. B. EDWARDS.—And graveyards.

Sir WILLIAM LYNE.—That may be so; but men have been taken from ships in order to vote, and when they were wanted next day they were far away. If that can be done in New South Wales, how much

REPRESENTATIVES

ould it be done along the long sea-
which I have indicated? I do not
name associated with a Bill which
k down by reason of its leading to
ion and other ills. My wish is to
Bill which will be a credit to the
and to this Parliament. I say un-
gly that the amendment makes it
le to exercise any restriction where
s the division.

ATSON.—The safeguards will still lie
Ministry.

ILLIAM LYNE.—If that be so,
dment is of no effect.

E. GROOM.—The difference is be-
Parliament bringing this provision
ct and the Ministry bringing it
et.

ILLIAM LYNE.—If the honor-
mber for Bland means only such
laces as the Minister may decide,
no necessity for the amendment,
the Minister could make only one
lace. But that is not the object
honorable member; the object is
this provision compulsory for a
ate.

ATSON.—There are the safeguards.

ILLIAM LYNE.—Of what good
uards, when men may be at a place
and 50 miles away the next?

ATSON.—That is an argument
he whole clause.

ILLIAM LYNE.—The honorable
has gone a great deal too far in
ndment, which I cannot accept.

ATSON.—Then the honorable
n does not intend to carry out the
. He says the safeguards are of

ILLIAM LYNE.—The safeguards
o avail if it be compulsory to open
olling place in the whole State
elector. It may be that a large
f the State could be worked under
dment, and that a fringe of a State
t, and there should be power within
utive authority to see that iniqui-
as I have indicated, are prevented.
the use of regulations, however
, if they cannot be put into force?
a power that has been exercised
atively on one occasion in each
es. It has been tentatively exer-
Queensland and Tasmania; but
been passed in the latter State a
toral law from which the provision
d.

Mr. O'MALLEY.—That is to kill me.

Sir WILLIAM LYNE.—No, it is not.
Let me also refer to the extra expense
which this amendment would involve. I
shall not refer to the question of divisions
for the House of Representatives, because
that matter has already been settled; but I
cannot agree to this plan being adopted in
regard to a whole State. The amendment
will lead to excessive printing.

Mr. WATSON.—Nothing of the sort.

Sir WILLIAM LYNE.—It will be
necessary for every roll to be in the
hands of every returning officer through-
out the whole State, and that must
lead to additional printing expenses. That,
however, is a minor question. The great
question is whether it is possible to
control elections in large States with great
sea-boards, such as Western Australia,
South Australia, and Queensland, without
the introduction of personation and at-
tendant trouble. Then, again, the amend-
ment will entail great delay in arriving at
finality at elections. If there were an
election in the neighbourhood of Adelaide,
no return could be given until the full
figures had been received for the Northern
Territory. I have discussed this clause in
Cabinet, and also with the Vice-President
of the Executive Council, and I went as far
as I possibly could when I agreed to a
permissive clause, with power to alter or
restrict if necessity arises. I cannot
go further in the interests of the Bill,
and I do not think it is fair to ask me
to do so. I have very reasonable cause
for complaint against the honorable member
for Bland for pressing this point to extreme
lengths, before we know what may be the
outcome or the result of innovations of a
serious character extending over the whole
Commonwealth. I do not feel disposed to
link my name with a Bill which will be
troublesome, if not dangerous, to work. I
have gone so far that I am prepared to
extend polling places as much as is
possible and reasonable, but I do not wish
my hands tied. I do not desire to be
bound to make every polling place in the
State a place where any elector may vote.
The honorable member for Bland stated
that only on one occasion had the Govern-
ment of New South Wales created a polling
place in Sydney, and that it was then done
in order to meet the convenience of pas-
toralists at show time.

Mr. WATSON.—It was during the sheep sales.

Sir WILLIAM LYNE.—I do not say that polling places for other electorates have always been proclaimed in Sydney, but that arrangement has been made in the great majority of elections during my parliamentary experience, for the convenience of the many electors who have business in Sydney on polling day, and who leave their own divisions at hours which make it irksome for them to vote there. If the honorable member's interpretation of the effect of his amendment were correct, there would be no need for it, because the Bill will make provision for the proclamation of polling places for a division outside the boundaries of that division in certain cases where it is thought desirable to make that arrangement. This amendment, if it means anything, will mean that every polling place shall be a polling place for every division in the State. That I strongly object to.

Mr. McCAY (Corinella).—I submit that there are only two alternatives in regard to the effect of the amendment of the honorable member for Bland; either it means no more than is meant by the words which it is proposed to insert in the Bill, or it provides for a system allowing electors to vote practically free from restriction at any polling place in the State.

Mr. WATSON. — But subject to regulations.

Mr. McCAY.—According to the amendment of the Senate, the regulations are only to provide facilities for enabling electors to vote at elections, and for all matters necessary or convenient to be prescribed for the purpose of carrying this part of the clause into effect. If it were competent for the Executive to proclaim regulations limiting the number of polling places at which the right which the honorable member for Bland desires to give may be exercised, an elector would be in no better position than under the clause as it is proposed by the Senate to amend it. His amendment will either have no effect at all, or it will compel the Executive to proclaim regulations allowing electors to vote at any polling place in the State.

Mr. WATSON. — But the regulations will prescribe the method in which the right is to be exercised.

Mr. McCAY.—If the Executive have power to make such regulations, the position will not be different from that created

by the provision as it stands. What difference is there between compelling the Executive to pass regulations which will frame so as to practically have the effect of preventing what the honorable member desires to see done, and authorizing them to make such regulations in regard to the matter as they may think fit? If the honorable member wishes to give the right to vote in any polling place in a State, that right should be given for in the Bill, and not by regulations, much as I desire to see every facility for voting, it seems to me that the alteration is one which should be introduced in the first place in a tentative Bill. The honorable member for Bland has pressed his objections to the system voting by post, and when a member of the Victorian Parliament, I expressed objections and doubts in regard to that system, until I saw it in operation, then I became convinced that it was useful and not a dangerous system. If electors are to be permitted to vote at any polling place in a State, every polling place will have to be supplied with the rolls for all the divisions in the State, because the only check upon a voter's qualification is his enrolment. There is no instance, no such thing as an elector being provided for in the Bill.

Mr. WATSON.—I am ready to vote for the adoption of the elector's right system.

Mr. McCAY.—Yes; but we cannot put it in the Bill now. If I walked into a polling booth at Brisbane, and said that I was qualified to vote for the Maranoa division, it would be impossible to show that I was entitled to vote for that division, unless there were a copy of the roll for that division in the polling booth.

Mr. BATCHELOR.—A vote is not counted until it is checked by the returning officer of that division with the roll for that division for which it is recorded.

Mr. McCAY. In any case that will take a long time, and it is uncertain whether under the clause, as it is proposed to be amended, a regulation could be made to provide for such a system of voting. Besides, it might happen that a man might represent himself as some one who was on the roll.

Mr. WATSON.—Personation of a voter might succeed under the existing system.

Mr. McCAY.—It cannot succeed in comparatively isolated places.

ATSON.—In every electorate at least 5 per cent. of the electors are unknown to those in charge of the booth.

MC CAY.—I have not contested an electorate so large as that of the honorable member for Bland, but I know that in Victoria there are usually persons in the vicinity of the polling booth who could identify the elector who comes there to vote.

DOR.—No one knows half the electors in my division.

MC CAY.—No one man may know more than half the electors in the electorate, but there are always men in the vicinity of a polling booth who can identify most of the electors in the division. It seems to me that the Minister has made a fair proposal.

ATSON.—Which he does not intend to effect, because he says that the clause cannot be safeguarded.

WILLIAM LYNE.—I do intend to carry the clause.

MC CAY.—The Minister said that the clause could not be safeguarded if the clause was given in regard to every polling booth in the State. I think it is reasonable for the Minister to say—"I will see if the clause will work; and, if it is found that it will work well, will put it into effect." While we are all ready to provide facilities for voting, every true democrat is equally anxious to prevent the abuse of the ballot-box. It is the elector's interest to do that. It will be better to get the Commonwealth rolls made up if the Bill is passed very shortly. Therefore, that we shall be able to put it into effect this week. It would be a pity if it were withdrawn.

MALLEY (Tasmania).—I am sure that the Minister has taken this matter seriously. There is not a vast difference between "may" and "shall," and it is no more effective than "may," and it does not possess the power of enforcement.

WILLIAM LYNE.—The honorable member can depend upon it that Tasmania will be marked that way.

MALLEY.—I suggest to the Minister that he should let the member for Bland know that if the matter is worth fighting out at this stage of the session, we might give the clause in its present form a fair trial. If we find that it is necessary, we can easily amend the clause afterwards. I feel that the Minister is doing his best, and that it

would not be fair at this stage to cause any trouble over such a trifling matter as the substitution of the word "shall" for "may." It would be to my interest to have the State of Tasmania divided into five electorates, because I am not prepared to spend a large sum of money in securing my return as a representative of the whole State. I am anxious that the sovereign democrats of the West Coast of Tasmania shall have an opportunity of returning me without any opposition.

Mr. BATCHELOR (South Australia).—I am somewhat at a loss to understand why the Minister should anticipate any serious trouble from the adoption of the amendment of the honorable member for Bland. He has almost threatened to abandon the Bill, but I cannot see how any serious result could possibly follow from the adoption of the amendment, even if the wide interpretation suggested by the honorable and learned member for Corinella is accepted. Under the clause, as it now stands, a Minister might afford facilities in one case and withhold them in others in order to promote the interests of a particular political section. I do not, of course, contemplate any such possibility in connexion with the Minister for Home Affairs, but unfortunately it will be impossible to retain him in that office for all time. It should not be within the power of any Minister to manipulate an Act of Parliament in the interests of his own party, and the provision should be mandatory. When the ballot-papers are sent to the returning-officers, all cases of impersonation must be disclosed, and any improper votes would be disallowed. Therefore, no abuses beyond those which would be possible under the Bill, as it stands, could possibly occur, and the fears of the Minister appear to me to be wholly imaginary. If an election took place in the Northern Territory, where the polling-places are few and, in many cases, are over 100 miles apart, and a number of sailors were to arrive there and declare that they were identical with certain electors whose names appeared on the roll, they would have no greater facilities for imposing upon the authorities if the amendment of the honorable member for Bland were carried, than under the system favoured by the Minister. I hope that the Minister will recognise that he has been making a great bugbear out of a very small matter, and that he will act wisely by agreeing to the amendment.

Mr. MAHON (Coolgardie).—The Minister states that this amendment was carefully considered by the Cabinet, and, if so, the Cabinet is somewhat deficient in knowledge of grammar as well as in the capacity of expressing its meaning in common-sense English.

Sir WILLIAM LYNE.—The honorable member is mistaken. I said that the subject of the clause was considered by the Cabinet, but not the wording of it.

Mr. MAHON.—The clause is certainly drafted in a very slipshod fashion. The new clause, 140A, as it originally stood, provided that "any elector may vote at the polling place for which he is enrolled," whereas the Senate proposes to omit all the words after "elector," and to provide that—

Any elector when voting at a polling place at elections for the Senate or for the House of Representatives shall . . . only be entitled to vote at the polling place for which he is enrolled.

I should like to know the meaning of those words. How can an elector be considered to be "voting at a polling place" if he is not "entitled to vote" at that place? This is a most ridiculous jumble, and most unfair to those who will be called on to interpret the law. The clause should be altered to read—

No elector shall vote at any polling place except that for which he is enrolled, subject to the provisions of sub-section (2).

I ask the Minister to consider this suggestion. I make every allowance for the difficulty of framing a uniform law, equally applicable to the conditions of large electorates, such as those of Queensland and Western Australia, and of the smaller electorates in crowded cities. The Minister must, however, remember that unless some provision of this kind is made we shall absolutely disfranchise a great many electors in the larger constituencies. The Minister may urge that under the provision in sub-clause (2) he will be able to make regulations for establishing polling places and for allowing people to vote. If the present Minister were to retain office for an unlimited period, I should be quite satisfied with such a provision, but I think it would be better if he could see his way clear to provide some means for affording the electors in the more remote and scattered constituencies the fullest facilities for voting. If the Bill is passed without some such

provision it is quite certain that a considerable number of voters in the electorate of Coolgardie will be disfranchised.

Mr. GLYNN (South Australia).—I think that the honorable member for Coolgardie is right in his criticism regarding the wording of the clause. Strange to say, I had marked out certain of the words to which he refers as surplusage. It would be sufficient to provide that "any elector shall, except as provided in sub-section (2), only be entitled to vote, &c." Even then the provision would not be perfect in form, because it should commence with a negative.

Sir WILLIAM LYNE.—I am willing to agree to an amendment of the amendment in that form.

Amendment of Senate's amendment, by leave, withdrawn.

Motion (by Mr. GLYNN) proposed—

That the Senate's amendment be amended by the omission of the words "when voting at a polling place at elections for the Senate or for the House of Representatives."

Mr. CROUCH (Corio).—Neither the amendment of the honorable member for Bland nor that of the honorable and learned member for South Australia, Mr. Glynn, meets the objection which I have to this Bill. At the present time the measure provides that, in the case of elections for the House of Representatives, any elector shall have the right to vote at any polling booth within his division. That is a concession which I am unwilling to give up. If I accurately interpret the feeling of the committee, I scarcely think that the honorable member for Bland will be able to carry his amendment. The Senate holds that a division is an electoral area for this House only. Let us make it compulsory that an elector shall be allowed to vote at any polling place within his division, but make the granting of that facility optional at the will of the Executive for the whole of the State in the case of elections for the Senate and this House, and if the honorable member for Bland will withdraw his amendment, I will move accordingly.

Mr. WATSON.—I am agreeable to do that.

Mr. McCAY (Corinella).—I would point out that the amendment proposed by the honorable and learned member for South Australia will have the effect of destroying the whole of the voting by post provisions of the Bill. I leave out of consideration

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ness or otherwise of the clause in that form.

LYNN.—An elector really does not go to the post-office.

CAY.—I am not quite sure as to the votes under those circumstances, but I am inclined to believe, that although a vote may be counted at a place other than that at which he casts it, he really votes at that place. I mark his ballot paper.

LYNN (South Australia).—I repeat that there is a great deal in the remarks of the honorable and learned member for Morrell. Upon the whole, perhaps it would be just as well to disregard the construction of the clause, since its meaning is so obvious. I therefore have to withdraw my amendment. I support the Senate's amendment, by which the clause is withdrawn.

Mr. WATSON proposed—

That the Senate's amendment be amended by the substitution of the word "may" where first used in sub-clause (2), with a view to insert the word "shall."

LYNN (Canobolas).—I think that the Minister for Home Affairs fears that difficulties will arise under the operation of the clause, as the honorable member wishes to amend it, than will really arise if we are all anxious to prevent any irregularity in the conduct of elections, but I desire to provide reasonable facilities for electors. The Minister lays it down as a fundamental principle that an elector registered at a particular polling place shall that he shall record his vote at that place. That proposal is insisted upon in the Bill, it must inevitably result in the introduction of a large number of amendments because many persons must necessarily be absent from their homes upon election day. The Minister recognises that the introduction of this hard and fast principle should be made, inasmuch as it is provided for voting by post. I support the honorable member for Corio whilst the voting by post provides certain facilities to electors, but difficulties will be very considerably increased under the proposal of the Government. Further, there is more danger that the influence will be brought to bear upon electors who vote by post than exists upon electors who vote at a polling place. Having gone so far as to provide for voting by post, the Minister might well

go a little further, and agree to the amendment. Under the proposal of the honorable member for Bland, there will be no greater danger of impersonation than already exists. It is no more necessary to provide that an electoral roll shall be kept at every polling booth throughout the States than it is to insist that an electoral roll shall be kept at every post-office in connexion with voting by post. I understand from the honorable and learned member for Corio, that the Minister is prepared to make some concession, and therefore I will refrain from arguing the matter further.

Sir WILLIAM LYNE.—It has been suggested by the honorable and learned member for Corio that this committee might well adhere to its former decision in the case of elections for the House of Representatives, and allow the permissive part of this provision to apply only to elections for the Senate. I do not know whether the other Chamber will agree to that course but certainly such a proposal meets the strong objection which I entertain to extending the system to both Houses. Under these conditions the clause would read—

Any elector may vote at the polling place for which he is enrolled, or, if he is absent from the polling place for which he is enrolled, may vote at any other polling place for the same division in an election for the House of Representatives if he makes and signs before the presiding officer a declaration in the form R1 in the schedule. Any elector when voting at a polling place at elections for the Senate shall only be entitled to vote at the polling place for which he is enrolled.

Mr. WATSON.—I think the proposal of the Minister is a fair one, and accordingly ask leave to withdraw the amendment.

Mr. GLYNN (South Australia).—Before the amendment is withdrawn I wish to enter my protest against the principle of drawing distinctions between the two branches of the Legislature. If the system is a good one in the case of elections for this House, surely it is equally good in the case of elections for the other Chamber. I do not approve of the clause at all. It is a bad principle to introduce two electoral laws—one for the Senate and another for the House of Representatives.

Mr. POYNTON (South Australia).—The primary object of the clause, I take it, is to provide facilities for the exercise of the franchise by electors who may happen to be at a considerable distance from the polling booth for which they are enrolled, upon polling day.

This provision, however, goes much further than that, and will permit of every elector in a city or suburban constituency voting in other electorates. To obviate the confusion which would result if any such practice became general, it would be wise to insert a proviso that the privilege in question shall be granted to no elector who, upon polling day, is within 3 miles of the polling booth for which he is registered.

Mr. V. L. SOLOMON.—Make it 10 miles. An elector can travel that distance if he desires to vote.

Mr. POYNTON.—I do not wish to render it difficult for a man to exercise the franchise. I was simply thinking of the effect which this clause would have upon city and suburban constituencies. Under the existing system the returning officers, who know the number on the roll, can form an idea as to how many electors will vote, and accommodation is provided accordingly. But, under the proposal now before us, hundreds of electors might present themselves at a particular booth, and, as their coming could not be anticipated, difficulties might arise, and it is conceivable that a new election might be necessary.

Mr. PAGE.—Where is that likely to happen?

Mr. POYNTON.—In any large centre of population.

Mr. PAGE.—There has been a similar law in Queensland for years, and such a contingency has never arisen.

Mr. WATSON.—And in New South Wales, with a similar law, there has never been any trouble.

Mr. POYNTON.—I was not aware of that: but, in any case, would it not be wise to fix the limit at 3 miles?

Mr. WATSON.—A man may be working 2½ miles from his proper polling place, and not be able to get a holiday.

Mr. POYNTON.—But the polling places are kept open until seven o'clock at night, so that greater provision is now made for electors than formerly. I should like to see a proviso such as I have indicated inserted in the Bill.

Sir WILLIAM LYNE.—In the Bill, as originally introduced, a limit of 5 miles was provided, but that was struck out.

Mr. PAGE (Maranoa).—The honorable member for South Australia, Mr. Poynton, need not have any fear of a polling booth being rushed. A similar provision has been in operation in Queensland for years,

and all that has been found necessary has been the provision of a few more papers. I can assure the honorable member that the experience in Queensland is altogether different from that which fears will result from the adoption of the proposal before us.

Mr. BROWN (Canobolas).—The experience of New South Wales in this connexion is identical with that of Queensland. In New South Wales we have no guard of electors' rights, under which an elector may vote at any polling place in his own electorate or division. In Queensland, there are a couple of centres separated by 2 or 3 miles, and the miners who live at one place and work at another are enabled to vote at the place most convenient to themselves. From this no injustice has resulted. Then at the last election in the town of Parkes there was a big rush of miners from adjacent places just about an hour before the polls closed. When it was seen that the returning officers were not able to cope with the demand made upon them, some of the electors drove to another polling place, some 5 miles distant, and there recorded their votes to the number of 40 or 50. If for a provision similar to that now proposed, they would probably have been prevented from doing so. No injustice was done in this instance, and I am afraid that the honorable member for South Australia, Mr. Poynton, is creating difficulties where none exist.

Amendment of Senate's amendment withdrawn.

Motion (by Sir WILLIAM LYNE) agreed to—

That after the word "division," line 1, the following words be inserted—"or, a division for the House of Representatives," and after the clause "any elector when voting at a polling place at elections for the Senate shall be entitled to vote at the polling place for which he is enrolled."

Amendment of the Senate's amendment read as follows, and agreed to—

Any elector when voting at a polling place at elections for the Senate shall

Clause 178 (Breach or neglect of officers).

Sir WILLIAM LYNE.—The honorable member has added to the definition of breach of official duty the following sub-clause—

"(IIIb) Any disclosure by any person of the ballot-paper touching the vote of the elector."

Committee agree to the Senate's
need to.

190A—

incurring or authorizing expenditure of a candidate, without the written consent of the candidate, or of his agent writing, shall be guilty of a contra-
Act

WILLIAM LYNE.—The Senate's
in this clause is a very small
substitution of the words "any
expense" for the word "expendi-
ture—

Committee agree to the Senate's

MAHON (Coolgardie).—I think the
ought to tell us what effect the
will have on the clause.

WILLIAM LYNE.—The amendment is
bringing the clause in consonance
with 173 and 174.

MAHON.—In that case let us
ascertain the exact meaning of the words
"electoral expense." According to
what we are told that "electoral
expenses" includes all expenses—

either on behalf or in the interests of
the candidate, or in connexion with any elec-
tion, only the personal and reasonable
expenses of the candidate.

WILLIAM LYNE.—190A ought to be as drastic
as I am sorry to see the word
"expense." Would it not be better
to say that a person will, under cer-
tain circumstances, be guilty of an offence
in respect of a measure?

WILLIAM LYNE.—I think the word
"expense" is used in the penal

MAHON.—I have never seen the
word in any Act, but I suppose it is
to make any alteration.
need to.

divided into Parts, as follows:
Part XVII., Committee of Elections
and Qualifications.

WILLIAM LYNE.—I move—

amendment omitting "Court of Dis-
puted Returns," sections 197 and 211," and in-
stead, "Committee of Elections and Qualifica-
tions," which the Senate has disagreed, be not

the amendment opens up the question
of a tribunal to deal with disputed
elections, and be a Judge of the Supreme
Court of Elections and Qualifications.

Committee. I am afraid that there is a very
strong feeling in the Senate on this point,
in view, perhaps, of events in that House
during the current session. I hope honorable
members will not insist on our amendment,
or otherwise a difficult question may arise
between the two Houses. The gist of the
whole matter lies in this amendment, and
I think that this is the best time for its
discussion. When the Bill first came from
the Senate, the Government supported the
provision for the trial of election petitions
by a Court of Disputed Returns, but this
committee was opposed to the establish-
ment of such a court, and I therefore had
a number of clauses drafted, providing for
the substitution of Committees of Elections
and Qualifications. The Senate, however,
seem to be very strong upon their original
proposal, and therefore I suggest that the
committee should agree to it.

Mr. MAHON (Coolgardie).—The Min-
ister for Home Affairs says that the Senate
is very strongly in favour of the establish-
ment of a Court of Disputed Returns, but
the honorable gentleman must recognise
that this committee is equally strongly
of the opinion that disputed elections should
be dealt with by Committees of Elections
and Qualifications. When the question
was before us on a former occasion, so few
members were prepared to support the
Senate's proposal that the Minister aban-
doned his call for a division in favour of it.
That fact must surely be within his recol-
lection.

Sir WILLIAM LYNE.—It is. I have
admitted that the committee expressed
itself in favour of the establishment of
Committees of Elections and Qualifications.

Mr. MAHON.—I do not intend to
repeat arguments which were so fully
stated in this Chamber when the matter
was dealt with before. The Minister
has referred to the fact that a dispute in
connexion with a certain election to the
Senate is really at the bottom of this matter.

Sir WILLIAM LYNE.—I did not speak with
authority, but I had the case in my mind.

Mr. MAHON.—Common rumour is not
always a common liar, and it is a matter
of knowledge to every member of this
committee that the reason why the
Senate was opposed to the creation of
Committees of Elections and Qualifica-
tions for the trial of disputed elections
is that considerable feeling arose between

the two parties in that Chamber in connexion with the only disputed election which has occurred there. All the arguments which I have heard in favour of the establishment of a Court of Disputed Returns are based upon the assumption that the members of such a court would be more impartial than the members of a political committee. That assumption may be a correct one, but I would point out that in the case to which I have referred, party feeling was displayed chiefly by two senators who are likely within a few years to occupy places on the judicial bench, and may then have referred to them questions of the kind in regard to which they displayed so much heat. We are expected to assume that immediately they are promoted to the judicial bench, they will forget the storm and stress of their political careers, and act with absolute impartiality. I do not deny that men are capable of doing that. No doubt the quarrel was purely a lawyers' quarrel, and lawyers probably forget such quarrels when they become Judges.

Mr. GLYNN.—Lawyers never quarrel unless they are paid to do so.

Mr. MAHON.—That may be so, but it has not been shown by those who are in favour of the establishment of a Court of Disputed Returns that the members of a Committee of Elections and Qualifications would not be impartial. I feel certain that there is scarcely a member of this committee who would not rather trust his case even to a committee of opponents than take it before a court. I would sooner be tried by members of the Ministry, to whom I sit in opposition, than go before a court.

Mr. V. L. SOLOMON.—Then the honorable member is a plucky man.

Mr. MAHON.—Great expense is involved before a man can even enter an appearance in a court. It has been said that a gentleman who recently contested an election to the House of Representatives was involved in enormous expense through having to appear before the Committee of Elections and Qualifications. But a fool and his money are soon parted, and that one man has flung away money on lawyers unnecessarily is no reason why other persons who may hereafter contest disputed elections should be equally foolish. This committee has declared emphatically in favour of the creation of Committees of Elections and Qualifications, and I hope that it will insist upon its will being carried into effect.

I am surprised that the Minister of Affairs, who is generally loyal to the Senate, should propose that we give the Senate in regard to this matter.

Mr. CONROY.—Does the honorable member think that party feeling may be in connexion with a Committee of Elections and Qualifications?

Mr. MAHON.—It may occur, but it might also occur in connexion with a Court of Disputed Returns. The honorable and learned member who is no Judge of the Supreme Court of South Wales has been swayed by these considerations? I should not like to see a party to any political business mentioned one only—the late Mr. Windeyer.

Sir WILLIAM LYNE.—The honorable member would have found him a fairer Judge than he thinks.

Mr. MAHON.—I know the maxim *mortuis nil nisi bonum*, and have been for the interjection of the name of the honorable and learned member for Werriwa, who has not have mentioned Judge Windeyer's name. But we ought not to cry foul; we should credit our fellow members with the possession of a sense of justice and impartiality. If the arguments advanced against the creation of Committees of Elections and Qualifications are to be held to have force, what can be advanced in support of the creation of a trial by jury? If a committee of members of this House cannot be trusted to deal fairly and honestly with a member whose right to sit here is contested, how can we decently trust a jury picked up almost from the streets to have power to send an accused person to the scaffold. Why not have a jury of the people?

Mr. McCAY.—Juries are not picked up from the street.

Mr. MAHON.—In many cases juries are practically are. I have seen juries called, not to try a man for a crime, but to investigate the cause of an accident who might be said to have been brought up from the streets. I have seen a man perjured not once, but 50 times.

Mr. McCAY.—The honorable member is referring to coroners' juries.

Mr. MAHON.—Yes. However, I desire to go into that question now. I am not weary the committee by repeating the arguments which were used before. I hope that honorable members will

on which they formerly adopted. There are 36 members in the Senate, and there are 75 members in the House of Representatives, and the majority in favour of the appointment of Committees of Elections and Qualifications was nearly equal to the whole.

O'MALLEY (Tasmania).—It is my opinion that the Minister should be prepared to surrender one of the fundamental principles of democracy—that the members of the House must try the case of every member whose election is disputed. Such a man has a right to be tried by a jury of his peers, and to choose his jury from among the members of this House. I am not at all afraid to be tried by my fellow members.

I have lived amongst them for many years now, and I would much rather submit a case to them than to a Court. When a man goes before the Court he has, first of all, a solicitor, then a junior barrister, and then a King's Counsel, and probably £100 on the preliminary costs before the trial commences.

E. GROOM.—No doubt the money is spent.

O'MALLEY.—The honorable member's remark shows how much he is to retain the privileges of his profession. I think that it is not fair to have free-trade in law. I have had experience in South Australia, and on one occasion they said to me, "Put yourself to a judge of the Court." But when the biggest barrister who ever went unhung in Australia told me with being an embezzler, a member of the Supreme Court there said that he was not worth him, because he was a bluff old soldier. That judge was a worshipper of the law, who regarded me as a dangerous man; and he gave me 40 bob for my services. I hope we shall not relegate the right of Disputed Returns to the right to petition. The only man who has rights before the courts is a millionaire.

Money speaks all languages, but the law speaks for the wealthy. If I were in contest with a Tasmanian millionaire I should be able to brief the best barristers in the colony, and I should have to throw up the sponge.

I would rather retire altogether than go to a case before a court, even if I had to pay my expenses on one occasion in South Australia, an

election was disputed by certain persons who engaged barristers and solicitors to conduct their case, and the expenses were so large that they frightened me, and made me resolve never to take a case before the court. It cost Mr. Aikenhead, of Tasmania, £3,000 to defend his right to sit in the State Legislature, and he was so heart-broken at the robbery to which he was subjected that he died shortly afterwards.

Mr. CONROY (Werriwa).—I am glad that the Government have seen fit to support the Senate. We are asked now to decide whether we should refer election disputes to a body of men who understand the law of evidence, or to a tribunal which has no knowledge of it. In every case in which Parliament has provided for the settlement of disputes by arbitration courts, not skilled in the taking of evidence, the costs have exceeded by from four to ten times the expenses entailed in the hearing of similar cases before properly constituted tribunals.

Mr. JOSEPH COOK.—But this court has to decide the cases coming before it according to equity and good conscience, apart from strictly legal evidence.

Mr. CONROY.—I believe that every dispute should be decided strictly according to the law. When we have law we have certainty.

Mr. WATSON.—But not equity.

Mr. CONROY.—That is the fault of the men who make the laws. An Elections and Qualifications Committee, consisting of members of Parliament, may very well be relied upon to deal justly with cases which arise when party feeling is not running high, but when questions of the utmost importance are referred to it, and when party feeling is perhaps greatly excited, the greatest suspicion must attach to the decision of a parliamentary tribunal. Many of the State Parliaments in the United States, and the British Parliament have found parliamentary tribunals for the hearing of election disputes extremely unsatisfactory, and they have adopted the system of referring them to courts which may be relied upon to give unprejudiced decisions.

Mr. MAHON.—Does the honorable and learned member contend that the English courts have given satisfaction?

Mr. CONROY.—No courts could give satisfaction to both sides in a disputed

election. In this matter we have to consider the question of expense, and I contend that there will be less expense attached to the hearing of cases before courts presided over by trained men than if they come before purely parliamentary tribunals. One or two of our States Parliaments have found that the system of referring disputed elections to a parliamentary committee is unsatisfactory. I would go the length of saying that it is much more important that the courts for the trial of disputed elections should appear to be fair and that there should be no suspicion cast upon them, than that they should be actually free from mistakes. A trained court would be free from suspicion. If an election dispute occurred in connexion with this House, and I were appointed a member of the Elections and Qualifications Committee, I might be regarded by the parties to the dispute as too violent a partisan, and if three or four other members of the committee were of a like temperament, would there not be in the minds of the men who were to be tried the idea that a judicial decision could not be expected from us? I do not think that the majority of honorable members possess the judicial temperament necessary to enable them to arrive at a thoroughly impartial decision where party interests are involved. Therefore, all election disputes should be referred to an outside body, which would be free from all suggestion of political influence, or from the predominance of party feeling.

Mr. SYDNEY SMITH (Macquarie).— I do not altogether agree with the honorable and learned member for Werriwa, because I think he has misunderstood the position. The honorable member for Tasmania, Mr. O'Malley, has made grave charges against some of our Judges, but I do not agree with his view regarding the occupants of the judicial benches of Australia. In New South Wales, we have been particularly fortunate in the selection of our Judges, and I am perfectly sure that no suspicion could possibly attach to them. Therefore, it is not for that reason that I object to the present attitude of the Government. I have had to submit to the ordeal of an inquiry before an Elections and Qualifications Committee. The decision went against me, but I believe that it was a fair and honest one so far as the committee were concerned. One of the great objects we should hold in

view when dealing with this matter is to avoid expense and delay. I understand the Senate were largely influenced by the experience gained in connexion with the dispute that occurred regarding the election of Senator Matheson. One case has been referred to the Elections and Qualifications Committee of this Chamber, and the honorable member whose right to sit here was questioned belonged to the free-trade side. No party spirit was, however, manifested in connexion with that inquiry, and an honorable member who supports the Government proposed that the honorable member for Tasmania, Mr. Hartnoll, should be allowed to retain his seat. The honorable member for North Sydney told us on a former occasion that, although at one time he was a strong believer in courts for the hearing of election disputes, his inquiries in England had shown him that the system adopted there was not a success, and that we should avoid falling into a similar mistake. He informed us that the costs in some cases amounted to thousands of pounds, and also that considerable delay was involved. We must remember that the members of the committee are selected by Mr. Speaker, and as care is taken to see that all parties are represented, there does not appear to be anything to prevent them from giving thoroughly impartial decisions. I admit that on one or two occasions mistakes may have been committed, but we shall act wisely if we adhere to the system which has been in vogue in most of the States rather than try experiments which may involve great loss of time and money.

Mr. JOSEPH COOK (Parramatta).— Without fear of contradiction I say that the justification for the appointment of an Elections and Qualifications Committee is to be found in the experience gained in connexion with the States Legislatures. Fewer mistakes have been made by Parliamentary Committees than by courts of law, and we should be committing an error if we departed from the practice, which has so much to recommend it. I disagree with the honorable and learned member for Werriwa when he says that the decisions arrived at in connexion with disputed elections should be strictly in accordance with the law. That is precisely what we wish to avoid. If the case which was recently decided by the Elections and Qualifications Committee of this House had been dealt with from a strictly technical point of view,

the honorable member for Tasmania, Mr. Hartnoll, would have been unseated, and his place would have been taken by a gentleman who received only one-third of the support accorded to the successful candidate. Therefore, if the law had been strictly interpreted, an outrage would have been committed upon the electors of Tasmania. It is because substantial justice should direct the decisions of a tribunal of this character, rather than any strict interpretation of documents, that we do not need a Judge to preside over it. Without the slightest intention to cast any reflection upon a Judge, I doubt whether his training makes it as easy for him to decide upon the equity and good conscience side of cases as to construe the statutes from time to time. A little while ago I was present at a court in which the Judge who presided had to decide upon the equity and good conscience of the case before him. During the hearing an agreement was produced of a most iniquitous character and instinctively he held to the terms of that agreement, notwithstanding that it was an iniquitous one upon its face.

Mr. L. E. GROOM.—It would be a very dangerous precedent to allow a Judge to set aside agreements.

Mr. JOSEPH COOK.—The fact that there was an agreement at all seemed to weigh more with him than did the equity and good conscience aspect of the matter. In connexion with the court proposed we do not want that kind of thing to obtain. When a question of law has to be decided, by all means let it be determined by a Judge; but I do not think we should be acting wisely if we appointed a Judge to preside over a court which has merely to say whether substantial justice has or has not been done to the electors of the Commonwealth as a whole. It is the electors whom we have to consider and not the candidates. We must look beyond the latter to the effect which the decisions of this tribunal may have upon the electorates of the country. There is another aspect to this question, namely, that of the expense involved. In my judgment it would be far better to adhere to the system which has worked well in Australia for so many years than to revert to the position sought to be established by the Senate. I trust that the Minister will not insist upon the amendment made by this Chamber.

Sir WILLIAM LYNE.—I have already stated that the Government do not intend to insist upon it.

Mr. MAUGER.—They must not, or they will lose the Bill.

Mr. JOSEPH COOK.—Who has said so?

Mr. MAUGER.—They say so in the Senate.

Mr. JOSEPH COOK.—Is it to be understood that this House is going to allow the other Chamber to mould the Bill in its entirety? After the statement of the honorable member for Melbourne Ports, I shall vote with the greatest possible pleasure against the Government proposal. He has declared that there is a threat hanging over the Ministry in connexion with this matter.

Mr. MAUGER.—No.

Mr. ISAACS.—The Senate has no more made a threat in regard to this matter than it did in regard to the Tariff.

Mr. JOSEPH COOK.—I have yet to hear that any threat was made by the Senate regarding the Tariff.

Mr. WATSON.—There were five or six.

Mr. JOSEPH COOK.—I certainly never heard of any. I did hear that the Senate intended to fight for its principles, just as this House fought for its principles. On the merits of the case, however, I think that there is more to be said in favour of the appointment of a Committee of Elections and Qualifications to decide disputed elections than there is in favour of a court of law.

Mr. GLYNN (South Australia).—I shall support the Bill in the form in which it was returned to the Senate. I am not particularly enamoured either of the court which it is proposed to establish to determine disputed elections, or of the committee; but, on the whole, it is perhaps better to allow such disputes to be decided by the latter. The Supreme Court would undoubtedly be a little more impartial, but that is the only virtue which can be claimed for it. Any vices connected with the appointment of a committee will certainly be embodied in the Supreme Court, constituted as the body proposed would be. It is an anomalous Supreme Court which it is sought to set up. All the rules of evidence are abolished and the court is to be guided only by the substantial merits of the case.

election. In this matter we have to consider the question of expense, and I contend that there will be less expense attached to the hearing of cases before courts presided over by trained men than if they come before purely parliamentary tribunals. One or two of our States Parliaments have found that the system of referring disputed elections to a parliamentary committee is unsatisfactory. I would go the length of saying that it is much more important that the courts for the trial of disputed elections should appear to be fair and that there should be no suspicion cast upon them, than that they should be actually free from mistakes. A trained court would be free from suspicion. If an election dispute occurred in connexion with this House, and I were appointed a member of the Elections and Qualifications Committee, I might be regarded by the parties to the dispute as too violent a partisan, and if three or four other members of the committee were of a like temperament, would there not be in the minds of the men who were to be tried the idea that a judicial decision could not be expected from us? I do not think that the majority of honorable members possess the judicial temperament necessary to enable them to arrive at a thoroughly impartial decision where party interests are involved. Therefore, all election disputes should be referred to an outside body, which would be free from all suggestion of political influence, or from the predominance of party feeling.

Mr. SYDNEY SMITH (Macquarie).—I do not altogether agree with the honorable and learned member for Werriwa, because I think he has misunderstood the position. The honorable member for Tasmania, Mr. O'Malley, has made grave charges against some of our Judges, but I do not agree with his view regarding the occupants of the judicial benches of Australia. In New South Wales, we have been particularly fortunate in the selection of our Judges, and I am perfectly sure that no suspicion could possibly attach to them. Therefore, it is not for that reason that I object to the present attitude of the Government. I have had to submit to the ordeal of an inquiry before an Elections and Qualifications Committee. The decision went against me, but I believe that it was a fair and honest one so far as the committee were concerned. One of the great objects we should hold in

view when dealing with this matter is to avoid expense and delay. I understand the Senate were largely influenced by experience gained in connexion with a dispute that occurred regarding the election of Senator Matheson. One case has been referred to the Elections and Qualifications Committee of this Chamber, and the honorable member whose right to a seat was questioned belonged to the free-trade side. No party spirit was manifested in connexion with that case, and an honorable member who supported the Government proposed that the honorable member for Tasmania, Mr. Hartnoll, should be allowed to retain his seat. The honorable member for North Sydney told me on a former occasion that, although at one time he was a strong believer in courts for the trial of election disputes, his inquiries had shown him that the system adopted was not a success, and that we should be falling into a similar mistake. He informed us that the costs in some cases amount to thousands of pounds, and also that considerable delay was involved. We must remember that the members of the committee selected by Mr. Speaker, and who are taken to see that all parties are represented, there does not appear to be any reason to prevent them from giving the fairest and most impartial decisions. I admit that on two occasions mistakes may have been committed, but we shall act wisely if we stick to the system which has been in vogue in most of the States rather than try experiments which may involve great loss and money.

Mr. JOSEPH COOK (Parramatta).—Without fear of contradiction I say there is no justification for the appointment of an Elections and Qualifications Committee in this House, founded in the experience gained in connexion with the States Legislatures. Mistakes have been made by Parliamentary Committees than by courts of law. We should be committing an error if we departed from the practice, which has been much to recommend it. I disagree with the honorable and learned member for Werriwa when he says that the decision arrived at in connexion with disputed elections should be strictly in accordance with law. That is precisely what we should avoid. If the case which was decided by the Elections and Qualifications Committee of this House had been decided with from a strictly technical point of

member for Tasmania, Mr. [unclear] could have been unseated, and could have been taken by a [unclear] who received only one-third of the votes accorded to the successful candidate. Therefore, if the law had been interpreted, an outrage would have been done upon the electors of Tasmania. The substantial justice should be done by the decisions of a tribunal of this kind, rather than any strict interpretations, that we do not need a Judge to preside over it. Without the intention to cast any reflection on [unclear], I doubt whether his training was easy for him to decide upon the good conscience side of cases as the statutes from time to time. Some time ago I was present at a court where a Judge who presided had to decide on the equity and good conscience before him. During the hearing a statement was produced of a most bad character and instinctively he refused to give effect to that agreement, notwithstanding it was an iniquitous one upon

Mr. GROOM.—It would be a very precedent to allow a Judge to set aside the law.

Mr. JOSEPH COOK.—The fact that an agreement at all seemed to be made with him than did the good conscience aspect of the case.

In connexion with the case we do not want that kind of decision. When a question of law is to be decided, by all means let it be decided by a Judge; but I do not think it could be acting wisely if we

ask a Judge to preside over a court merely to say whether substantive law has or has not been broken by the electors of the Commonwealth. It is the electors who have to consider and not the Judge.

We must look beyond the effect which the decisions of the court may have upon the electorates. There is another aspect to the matter, namely, that of the expense. In my judgment it would be far better to the system which has been in Australia for so many years than to the position sought to be established by the Senate. I trust that the House will not insist upon the amendment by this Chamber.

Sir WILLIAM LYNE.—I have already stated that the Government do not intend to insist upon it.

Mr. MAUGER.—They must not, or they will lose the Bill.

Mr. JOSEPH COOK.—Who has said so?

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Mr. JOSEPH COOK.—Is it to be understood that this House is going to allow the other Chamber to mould the Bill in its entirety? After the statement of the honorable member for Melbourne Ports, I shall vote with the greatest possible pleasure against the Government proposal. He has declared that there is a threat hanging over the Ministry in connexion with this matter.

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Mr. GLYNN (South Australia).—I shall support the Bill in the form in which it was returned to the Senate. I am not particularly enamoured either of the court which it is proposed to establish to determine disputed elections, or of the committee; but, on the whole, it is perhaps better to allow such disputes to be decided by the latter. The Supreme Court would undoubtedly be a little more impartial, but that is the only virtue which can be claimed for it. Any vices connected with the appointment of a committee will certainly be embodied in the Supreme Court, constituted as the body proposed would be. It is an anomalous Supreme Court which it is sought to set up. All the rules of evidence are abolished and the court is to be guided only by the substantial merits of the

The whole foundation of its jurisdiction is prescribed by the Bill. In framing the Supreme Court provisions we have really borrowed from the Acts of South Australia and Western Australia, which provide for a mixed tribunal. In South Australia, for example, one of the Judges of the Supreme Court sits with the members of the Elections and Qualifications Committee. In my opinion that is the best form which these clauses could take. I am driven to support the proposal for a committee rather than the anomalous tribunal which the Government originally sought to establish. They did not even vest in the Supreme Court Judges of the States in the interval which must elapse between the enactment of this legislation and the establishment of the High Court power to make necessary regulations. I do not fear that a committee would be other than impartial. The courts were established in England in 1839, at a time when parties were separated by strongly drawn lines, when great political rancour prevailed, and when there were not the same checks upon the tendency to partiality on the part of members of the House of Commons as are operative to-day. There is no doubt that the expense connected with the determination of disputed elections would be considerably less if those disputes were decided by a committee composed of members of Parliament. Moreover, in connexion with a court of law there must be lawyers engaged, and in some cases great delay must occur. We shall have to wait until it is convenient for judges to sit, and instead of the business being expedited, as it would be if the decision of a disputed election rested with ourselves, it will be delayed. That may have the effect of sustaining the suspension of a member for three or four months, and possibly the scandal which was witnessed earlier in the session in connexion with an election petition against the return of a member, may be repeated. Under the circumstances, I think that we should adhere to the Bill in the form in which it was returned to the Senate.

Mr. WATSON (Bland).—This is one of the few occasions upon which the decision of the Senate is in harmony with my own views, and, therefore, I am in favour of not insisting upon our amendment. For years past I have been of opinion—partly as the result of the experience of the working of Elections and Qualifications

Committees—that it is far preferable to allow disputed elections to be decided by people who are entirely separated from politics. Some honorable members have urged that a committee would deal out absolute impartiality. My own opinion is that in the great majority of instances it would be impossible for any honorable member to separate party feeling from the position which he occupies as a judge. I admit that if the case were a clear one it is not likely that the members of a committee would be so susceptible to party influences as to arrive at an improper decision. But in every well-contested case in which a doubt existed as to which party was in the right, the tinge of bias would unconsciously operate and influence an honorable member's judgment. The honorable member for Parramatta spoke of the failure of a Supreme Court Judge in New South Wales to be guided by the equity and good conscience of the case he was trying. I know nothing of the merits of that particular case, but I am acquainted with some other instances in which Judges have laid aside the technicalities of the law and been guided only by the simple merits of the case. It is as unfair to argue that, because one Judge failed to have regard to the equity of a case, as directed, others would follow his example, as it would be for those who do not believe in the establishment of a committee to determine election disputes to declare that, because one committee has proved itself not only incompetent but biased, every other committee would adopt the same attitude. I hold that we are more likely to get abstract justice meted out by men who are perfectly untrammelled by party ties than we are from individuals whose whole life has been passed in the turmoil of politics, and who must necessarily be strong partisans.

Mr. MAHON.—Why not have every case tried by a jury of Judges instead of by a jury of laymen?

Mr. WATSON.—I do not think that that is an analogous case, for the reason that a jury under ordinary circumstances consists of men who are not supposed to have any interest in the questions which they have to try. In the case of disputed returns, however, every member of the tribunal has a party interest, and may have to consider whether the filling of a particular seat will not mean the casting out of the party with whom he is associated.

hon.—That is a reflection on members.

ATSON.—In these matters we consider ordinary human nature. I think that the expense of going to Court will be any greater than lived in a case tried before an and Qualifications Committee. Under circumstances the parties may s. In the one case which has the House of Representatives, able member for Tasmania, Mr. engaged a lawyer, who, however, a constitutional disqualification, act, and the other side engaged whom either Mr. Whitelaw or his d to pay.

HALLEY.—Parties will be bound lawyers in the High Court.

ATSON.—There is no greater a to employ lawyers in a case e High Court than in a case Elections and Qualifications Com- One clause on which the Senate provides that the equity and good of the case has to be taken into ion in arriving at a decision; and there will be just as great or er probability of that clause being by the High Court as by a consisting of active political

The system would work well point of view of all parties if the of the tribunal consisted of those withdrawn from active political

n.—That the amendment be not ion—put. The committee divided.

...	...	...	30
...	...	...	20
Majority	...	..	10

AYES.

E. L.	Lyne, Sir W. J.
Sir J. L.	Manifold, J. C.
	Mauger, B.
	McEacharn, Sir M.
H.	Poynton, A.
	Reid, G. H.
A.	Ronald, J. B.
	Sewers, W. B. S. C.
J. B.	Turner, Sir G.
	Watkins, D.
T.	Watson, J. C.
W.	Wilkinson, J.

Tellers.

	McCay, J. W.
C. C.	Wilks, W. H.

NOES.

Brown, T.	Smith, S.
Cook, J.	Solomon, E.
Fowler, J. M.	Solomon, V. L.
Glynn, P. McM.	Thomas, J.
Isaacs, I. A.	Thomson, D.
Kirwan, J. W.	Tudor, F.
Mahon, H.	Willis, H.
O'Malley, K.	
Page, J.	
Paterson, A.	
Quick, Sir J.	

Tellers.

McDonald, C.
Salmon, C. C.

Question so resolved in the affirmative.

Clause 8 (Assistant returning officers).

Sir WILLIAM LYNE. I move—

That the amendment adding the words "but no assistant returning officer shall be appointed in, or for any portion of, the division in which less than 100 electors are enrolled," to which the Senate has disagreed, be insisted on.

There was a very long debate on this clause, in which the representatives of Queensland appeared to be more particularly interested. The object of the amendment was to prevent the anticipated exercise of undue influence in outlying places in Western Australia, Northern Queensland, and elsewhere. The amendment represents a compromise which was arrived at, and I cannot see why we should alter our decision.

Motion agreed to.

Clause 22 (Report to be laid before the House of Representatives).

Sir WILLIAM LYNE.—I move—

That the amendment omitting "both Houses of Parliament," and inserting "the House of Representatives," to which the Senate has disagreed, be insisted on.

The clause, as amended, provides that the report of the commissioner shall be laid before the House of Representatives within seven days after its receipt. But to that the Senate objects, and provides that the report shall be laid before both Houses. In this matter only a resolution, and not a Bill, is involved, and the House of Representatives desires to be consulted in the distribution of the electorates in the various States. I take the view that the House of Representatives should decide its own divisions, and as this matter in no way affects the Senate, I propose to insist on the amendment.

Mr. GLYNN (South Australia).—I think the Minister ought to accept the amendment of the Senate, and allow both Houses to have a say in this matter. The distribution of the divisions does not concern this House merely, though it may concern particular members of the House.

Sir WILLIAM LYNE.—This House does not assume the right of saying whether the States shall be cut up into Senate electorates.

Mr. GLYNN.—This is a matter of the divisions proposed on the report of the commissioner, and personally I would sooner trust the Senate than this House to say what are the proper divisions for the House of Representatives.

Sir WILLIAM LYNE.—I should not do so.

Mr. GLYNN.—It would be better for the House of Representatives to decide the divisions for the Senate and *vice versa*. Both Houses ought to have a say, because these are matters which ultimately are embodied in an Act of Parliament.

Motion agreed to.

Consequential amendments in clauses 23 and 24 insisted on.

Clause 28 (Where electors to vote in case polling place abolished).

Motion (by Sir WILLIAM LYNE) proposed—

That the amendment adding the following proviso, "Provided that no polling place shall be so closed after the issue of the writ and before its return," to which the Senate has disagreed, be not insisted on.

Mr. MAHON.—I think the Minister is making a mistake in giving way. At any rate, he should explain the reason for his motion.

Sir WILLIAM LYNE.—If the honorable member will refer to clause 26, he will see that the words—

Provided that no polling place shall be so closed after the issue of the writ, and before the time appointed for its return.

have been added to it, the original proviso having been amended by the substitution of the word "closed" for the word "appointed" where it first occurred. The addition of those words to clause 28 would be merely useless repetition.

Motion agreed to.

New clause 98A (State members not entitled to be nominated).

Sir WILLIAM LYNE.—The Senate has disagreed to the proposed new clause, and I therefore move—

That the amendment inserting new clause 98A, to which the Senate has disagreed, be insisted on.

Mr. GLYNN (South Australia).—Since this matter was last before us, the South Australian electoral law has been altered,

so that a member of the Federal Parliament may now be nominated for a seat in a State Parliament, and I understood that a similar amendment had been, or is to be, made in the New South Wales electoral law.

Sir WILLIAM LYNE.—No.

Mr. GLYNN.—In any case, it is a very bad policy to attempt to make reprisals in this manner. There is already a good deal of bitterness felt in regard to several matters arising out of federation, and we should not sow discord in this instance.

Sir WILLIAM LYNE.—This Parliament has not created any of the bitterness that exists.

Mr. GLYNN.—Well, we should set a good example to the States. The provision in the electoral law of the States to which exception was taken originally was first passed by South Australia, and then copied by the other States Parliaments.

Sir WILLIAM LYNE.—Did not the honorable and learned member introduce the South Australian measure?

Mr. GLYNN.—I was Attorney-General of a Ministry who found the Bill on their file, and the Premier, who had carried the motion for the introduction of the measure, asked me to move its second reading. I explained, in doing so, that I was acting from constitutional necessity, the matter being too petty a one upon which to resign my portfolio, but that I did not believe in the provisions of the measure.

Mr. THOMAS.—Did the honorable and learned member vote for it?

Mr. GLYNN.—I spoke and voted against the motion for the introduction of the measure. I think that we should not insist upon the insertion of new clause 98A. Federation has had to endure a lot of pin-pricking, and it is difficult for the people to grasp the merits of a dispute between the Commonwealth Parliament and the States Parliaments, but I do not think we should pass a provision of this kind. I doubt, indeed, if we have the constitutional right to create this disqualification. Certain disqualifications are categorically set out in the Constitution, and there is no mention of the power of the Parliament to vary them. A similar provision exists in the American Constitution, and it has been laid down by Burgess that the disqualifications there are fixed, and cannot be altered, except by an amendment of the Constitution.

Sir JOHN QUICK.—They cannot be added to by the States.

LYNN.—I have not looked into recently, but my impression is cannot be altered. There may be between a qualification and a situation in that respect. For under the German Constitution, disqualification cannot be altered by an amendment, Parliament can do otherwise in regard to qualifications. The committee wished to provide for members of States Parliaments to be capable of being nominated for the Commonwealth Parliament, if the committee do not insert the insertion of clause 98A, members of States Parliaments will be able, not to be nominated for, but to sit in the Commonwealth Parliament. Personally, I object to that, because I think it leaves the matter entirely to the electors. I know that some of the members of the Cabinet were strongly opposed to this situation.

MCCAY (Corinella).—I regret that Mr. McCAY proposes to insist upon the insertion of it, because I do not agree with the position contained in it, and because I think the Senate hold a very strong opinion as to its desirability. The provision was not in the Bill when originally before the House, and the members of that body did not agree to it when the Bill was amended by them with amendments from the Senate. I do not think that we should have the choice of the electors in the matter proposed. In passing such a provision, we seem to be thinking more of ourselves than of the people of the Commonwealth. A good many of the members of the Senate were returned while members of States Parliaments. Unfortunately, a member of a State Parliament died before the federal elections took place, but I have been, I should not have felt that it was wrong in contesting a federal election without resigning from the State Parliament. The insertion of this provision in the Bill has been keenly resented in the States Parliaments.

WILLER.—And approved of by the public.

MCCAY.—I do not agree with the position of the member there. I think that it is probable that candidates who are members of States Parliaments will be asked, "Will you resign your membership of the State Parliament if elected to the Commonwealth Parliament?" and in most cases they

will be compelled to promise to do so. It is, however, a matter to be left to the candidates and the electors. We have no right to impose this disqualification. Under the clause as it stands, we might practically prevent any member of a State Parliament from contesting an election, because the clause states that any person who within fourteen days prior to the date of nomination was a member of a State Parliament shall not be eligible for nomination for the Federal Parliament. Clause 90 provides that the nominations may take place seven days after the issue of the writ. In the case of a dissolution the Government might appeal to the country upon matters of the greatest importance, and the nominations might be fixed to take place within less than fourteen days after the issue of the writ. Thus no member of a State Parliament could possibly be nominated.

Sir WILLIAM LYNE.—Clause 90 provides that the nomination day shall be fixed not less than seven days after the issue of the writ.

Mr. McCAY.—Yes, I know; but I am pointing out that it is possible to fix the date of nomination in such a way as to prevent the members of the States Parliaments from being nominated.

Sir WILLIAM LYNE.—It would not be practicable to fix the date of nomination within fourteen days after a dissolution.

Mr. McCAY.—That period could be very nearly approached, and the nomination day might under some circumstances be fixed within seven days after the date upon which the writ was issued. It is conceivable that such an attempt might be made under certain circumstances. Why should we force members of the States Parliaments to resign before the nomination day? If a member resigned on the day before the nominations were received, he would cease to be a member of the State Legislature as effectually as if he had resigned fourteen days or 140 days beforehand. I do not know the object aimed at in fixing the term at fourteen days. We may very well leave it to the electors to make their own choice, and if they prefer a member of a State Legislature, let them give him their support. It would be a great pity if a member of a State Parliament resigned his seat, and failed to secure election to this Parliament. His services might be of great value to the State Parliament.

Mr. PAGE.—Then let him stay there.

Mr. McCAY.—I think the honorable member is looking at the matter from rather a personal point of view. I am not more anxious than is any other honorable member to have members of the States Legislatures contesting seats in this Parliament, but if the electors thought that some State member was a better man than I am—although I should probably utterly differ from them—they would have as much right to their opinion as I have to mine, and they should be at liberty to elect the man whom they think would best serve their interests. I quite admit that in the case of members living in Victoria, there is not the same strong reason for personal feeling in this matter as in the case of honorable members representing the more distant States. The whole question, however, resolves itself into this: Are we to consider the advantage of certain individuals, or the advantage of the Commonwealth? For the reasons I have stated, I intend to support the Government.

Mr. CONROY (Werriwa).—On a previous occasion I voted for the omission of this clause, and I shall now act in accordance with that attitude. I objected to the restrictions imposed upon members of this Parliament by the States Legislatures, and I do not think that in a spirit of retaliation I should adopt a course similar to that which I disapproved of in their case. I admit that honorable members from the more distant States are placed in a position of greater disadvantage than are those who represent Victoria or the nearer parts of New South Wales. Honorable members from Queensland and Western Australia require at least a fortnight to enable them to reach their electorates, and no doubt the fact that they have to remain away from their electorates for many months at a time leaves it open to their opponents to greatly prejudice their chances of re-election. Still I think that on general principles it is wrong to impose any restrictions upon the choice of the electors, or to impose any disabilities upon members of the States Legislatures.

Mr. ISAACS (Indi).—As I said on a previous occasion, I do not agree with the view that we are limiting the choice of the electors. We are not limiting the choice of the people, but that result is brought about by the man who says—"I will not give up one position until I have secured another."

Are we to offer a bonus to men who to one benefit whilst they are securing another, and expose those not in the States Parliaments to the risk of taking all the risk?

Mr. CONROY.—I think that a man should be able to sit in both Houses.

Mr. ISAACS.—Oh, no. "One vote"—"one member, one Parliament"—I am not considering the interests of the representatives from the more distant States so much as the advantage to be derived by the public. Are we to offer an inducement to honorable members representing different States to remain at home and do their duty without their being undermined in their electorates? Are we to encourage them to leave their places here and visit their constituents in order to preserve their seats? If we impose restrictions upon the candidates for the States members, the representatives from the more distant States will always be at a disadvantage of the overwhelming advantage given to those who may desire to unseat them. If we are to tell honorable members from Western Australia, Queensland, and New South Wales, and some parts of New South Wales and South Australia, that they are running a great risk of being undermined in their electorates, we should probably think that their work in this House would be affected. When I heard the honorable member for Corinella say that it was advantageous to the public interest to impose the proposed restrictions, I asked—"Why?" I see no reason why a member of a State Legislature should not be able to sit in both Houses. I shall cling to my present position. I get into the Federal Parliament. On the other hand, I recognise that under existing circumstances, the members from the more distant States would, if they considered their personal welfare, leave their places here. I am glad to say, however, that we have resisted any such influence. It is in vain for any argument to be made to induce us to reverse the vote we gave on a previous occasion. It was said that the Senate will not pass the clause, but I would point out that the opponents had a majority of only one. That it is a matter of common knowledge that the members of the other Chamber are prepared to reverse their vote. We have a majority of two to one, twice as many as the principle contained in this clause, and we, under these circumstances, to

say to a chance vote—but to the vote majority in the Senate? I consider the merits of the case, in the manner in which the clause has been introduced in the Senate, I think we shall be satisfied in leaving it as it stands.

WILKINSON (Perth).—I was sorry to see honorable members express sympathy for representatives from the more remote States in connexion with this matter, except their expressions of sympathy were highly genuine; but, speaking for myself, I would be content if members of the Legislatures were permitted to resign. Under such conditions I should have the support and sympathy of the majority of the people, because I feel sure the electors would resent the action of a member in contesting a seat in the State Parliament without having pre-announced his position in the State. I should prefer to be opposed by the majority of the State Legislature rather than by the member who had been obliged to resign. Therefore, I disclaim altogether the idea that I am actuated by personal considerations in giving my vote in this connection. The honorable and learned member for the Northern Territory expressed surprise that a clause was inserted in the Bill requiring a member of the State Legislature to resign his seat fourteen days before the date of nomination in order to qualify himself as a candidate for a seat in this Parliament. The position of a member of the State Parliament is not altogether ornamental. He has certain duties to his constituents to perform, and I do not see how he can discharge these and prosecute another election at the same time. It would be indecent to allow any man to occupy a responsible position in which he is called upon to do important work for the public, and at the same time to neglect to set aside his public duty and go to win another seat. If I were a member of a State Legislature and I failed to resign for a seat in this Parliament, I should not be able to look my constituents in the face again and expose myself to the criticism that I continued to be their representative only because I could not very well resign myself. That would be a most undesirable position for any man to occupy.

MR. REID (East Sydney).—I do not speak strongly upon this proposal, but I feel well enough that when I was a member of the Commonwealth Legislature

I should have felt it very awkward indeed if I had been obliged to relinquish my seat in the New South Wales Parliament prior to being elected. I did not doubt for a moment that I should be returned, but still that was the feeling of all members of the States Parliaments, and I believe that we should place other men in the same position that we ourselves then occupied.

MR. SAWERS.—The right honorable member was within a few weeks of a dissolution.

MR. REID.—Then if this matter were one of principle, instead of being a personal one, we ought to have been more ready to resign, inasmuch as we should not have been required to sacrifice much. However, none of us dreamed of adopting that course. My idea is that, as a general rule, a man does not give up the position which he holds until he has secured the position which he wants. That feeling is inherent in human nature.

MR. ISAACS.—Is it a right feeling?

MR. REID.—I do not think it is wrong. If the electors resent the fact that a man has unsuccessfully offered himself as a candidate for another Parliament they can always defeat him. I must say that the clause under consideration seems to me to suggest selfishness.

MR. CROUCH (Corio).—In my opinion, by inserting this provision we are only affirming what the Constitution at the present time provides. That instrument of government distinctly sets out that no person holding any office of profit under the Crown shall be capable of sitting as a member of this Parliament. I submit that any member of a State Parliament who is in receipt of a parliamentary allowance is the holder of an office of profit under the Crown.

MR. KINGSTON.—He is elected, and does not hold office under the Crown.

MR. CROUCH.—The fact which I have mentioned should prevent him from being nominated, even if this clause were not in the Bill.

MR. GLYNN (South Australia).—As the clause stands, it prevents any member of a State Parliament from being nominated for a seat in the Commonwealth Legislature. I should like to test the question whether nomination should not be allowed, and whether we should not compel a State member who is returned to this Parliament to resign his State seat within a given time of his election.

That is the law in Canada at the present moment. A member of a provincial Legislature may be returned to the Dominion Parliament, but he has to resign his former position within ten days of his election. To my mind, that is a very fair provision. I suggest that the clause should be amended to read—"No person who at the date of election and for fourteen days thereafter was a member of the Parliament of a State shall be capable of sitting as a senator or as a member of this House of Representatives."

Mr. ISAACS.—That is really excising the clause.

Mr. GLYNN.—No; it permits of the nomination of a State member, but prevents his sitting after his election. If we reject the clause in its present form, a member of a State Parliament can not only be nominated for election to the Commonwealth Parliament, but can actually sit in both Legislatures. The reasonable question to test is as to whether he should be nominated.

Mr. L. E. GROOM (Darling Downs).—I should like to know whether the Minister intends the term "nomination" to refer to the technical nomination which takes place in connexion with an election, or whether it is to include the proposing of a person, under section 15 of the Constitution, in the case of casual vacancies in the Senate?

Sir WILLIAM LYNE.—It does not deal with that matter at all.

Mr. BROWN (Conobolas).—I feel that, in connexion with this question, I am fighting a somewhat up-hill battle. That fact is chiefly due to the action which has already been taken by some of the States Parliaments. Had they not initiated preferential legislation of this character, the opposition to the course which I favour would not be so strong. The States Legislatures now recognise that by enacting such legislation they inflicted an injustice, not merely upon members of this House, but upon the electors generally, and therefore we may reasonably hope for its early repeal. The honorable and learned member for Indi has argued that this proposal does not limit the choice of the electors. I hold that it does. I would point out that of the 26 representatives from New South Wales who sit in this Parliament, only three are new to

political life. Similarly, only six of the representatives of Victoria are new to political life.

Mr. ISAACS.—That was the first federal election, and cannot be regarded as a precedent.

Mr. BROWN.—I disagree with the honorable and learned member. I hold that the States Parliament should be the training ground for the Commonwealth Legislature. If a member of a State Parliament is elected to the Commonwealth Legislature that fact should render his seat in the State House vacant. But to say that a man should be compelled to retire before he seeks election would be to curtail the choice of the electors, and to inflict a wrong upon State members. There is a probability that at the next election I shall be opposed by a member of the New South Wales Parliament, but, nevertheless, I desire to give the electors the widest possible choice. I, therefore, support the position taken up by the other Chamber.

Mr. V. L. SOLOMON (South Australia).—I would suggest that we have had ample time to reconsider our decision upon this question. The insertion of the clause under discussion has engendered much ill-feeling in the various States, and to declare that we are afraid of the members of States Parliaments contesting our electorates does not reflect credit upon us.

An HONORABLE MEMBER.—We do not say that.

Mr. V. L. SOLOMON.—It looks very much like it. Seeing that the Senate has omitted this provision, it would be a very grave error on our part to reinsert it.

Mr. THOMAS.—The honorable member, I believe, was Premier of South Australia at the time the Bill providing that members of the Federal Parliament should not be eligible to contest elections for the State Legislature was passed?

Mr. V. L. SOLOMON.—No; the measure was introduced when the present Minister for Trade and Customs was Premier of that State. I admit that I was responsible for a resolution which declared that no member of the State Legislature should simultaneously hold a seat in the Federal Parliament. That resolution led to the drafting of a Bill which went a great deal further than I intended the resolution to go. As a matter of fact I think it went a great deal further than many honorable members

ded, though at the same time I do not
ny advantage to be gained by either
l or State members. Unfortunately
one of the States followed the
ple of South Australia in not de-
g much consideration to the matter.
South Australia the Bill was passed
gh all its stages under fifteen
ces. The present Speaker of this
e, who submitted the Bill in the South
alian Assembly, informed honorable
bers on that occasion that it was merely
arry out a resolution of the House.
resolution, however, was intended to
nt a man from occupying two positions,
the Bill went much further. I would
r see this matter more exhaustively
ed, and a division taken in a fuller
e, because the results may be more far-
ring than we at present imagine.

THOMAS. — Which way would the
able member like the voting to go?

V. L. SOLOMON. — I should like to
e voting go in the direction of eliminat-
ne clause as the Senate wishes. I have
been in sympathy with such a clause.
y opinion, honorable members who are
so keen about placing an embargo on
members will find that their action,
the time comes, will be used as a
on against them, with very good effect.
me of the States at the present time,
al members are not deprived of the
tunity of becoming State candidates,
ut resigning their seats in this House;
he States which have passed a law in
trary direction are utterly ashamed of
ad prepared for repeal.

THOMAS. — The States were not
ned of the law until this clause was
ed.

V. L. SOLOMON. — Until we applied
us *quoque* argument, and endeavoured
caliate, the States did not perceive the
of what they had done. Now that
ates are inclined to rescind the law,
ould be a great pity to include this
e in the Bill. I, therefore, hope hon-
e members will give no hurried vote,
after careful consideration, will adopt
ourse suggested by the Senate.

Question—That the amendment be in-
l on—put.

The committee divided.

Ayes	...	...	24
Noes	...	...	11
			—
Majority	...	...	13

AYES.

Cameron, N.
Clarke, F.
Cook, J. H.
Crouch, R. A.
Deakin, A.
Ewing, T. T.
Fowler, J. M.
Fysh, Sir P. O.
Groom, L. E.
Isaacs, I. A.
Kingston, C. C.
Lyne, Sir W. J.
Mauger, S.

McEacharn, Sir M.
Page, J.
Quick, Sir J.
Ronald, J. B.
Solomon, E.
Thomas, J.
Turner, Sir G.
Wilkinson, J.
Willis, H.

Tellers.

Fuller, G. W.
Smith, S.

NOES.

Batchelor, E. L.
Brown, T.
Edwards, G. B.
Higgins, H. B.
Manifold, J. C.
Poynton, A.

Sawers, W. B. S. C.
Solomon, V. L.
Tudor, F.
Tellers.
McCay, J. W.
Watson, J. C.

PAIRS

For.

Phillips, P.
Barton, Sir E.
Forrest, Sir J.
Chapman, A.
Groom, A. C.
Thomson, D.

Against.

Salmon, C. C.
McDonald, C.
Cook, J.
Conroy, A. H.
Wilks, W. H.
Glynn, P. McM.

Question so resolved in the affirmative.

Amendments in clauses 117 and 118 not
insisted on.

Clause 151 (How votes to be marked in
Senate elections).

Sir WILLIAM LYNE.—This clause, as
the Bill originally came to us from the
Senate, provided that—

The voter shall vote for the full number of
candidates to be elected.

Those words were struck out by the com-
mittee, but upon the Bill being returned
to the Senate that body insisted upon
their retention. I propose to adopt the
same attitude on this occasion as we did
when the Bill was last before us, and
therefore I move—

That the amendment omitting the words "The
voter shall vote for the full number of candidates
to be elected," to which the Senate has disagreed,
be insisted on.

(Committee counted.)

Mr. SYDNEY SMITH (Macquarie).—
I hope that the committee will not insist
upon its amendment. This matter has
already been before us twice. On the
first occasion the Minister voted against
plumping. On the second occasion there
was no division, but I do not know why
the Government should have changed their
attitude in regard to the question. There
is a strong feeling in the other Chamber

against any interference with the mode of elections affecting that body, and they are totally opposed to a system which will allow of plumping. We have already insisted upon several amendments to which they have disagreed, and that being so, I think we should not insist upon this amendment. It seems to be an altogether wrong principle that the minority should rule. At the time of the election of representatives to the Federal Convention, every State provided that voters should vote for the full number of candidates to be elected. It is an underlying principle of democracy that the majority shall rule. I understand that a number of honorable members are voting for the retention of the amendment because they believe in proportional representation, and consider this the next best thing; but, as they were unable to get the committee to agree to proportional representation, I do not think they should attempt to secure by a side wind the adoption of a system under which the minority would rule.

Mr. BROWN (Canobolas).—I hope that the committee will stand by the position which it assumed when the matter was last before us. I do not agree with the honorable member for Macquarie, that democracy requires that voters shall be compelled to vote for a certain number of candidates. It is democratic to give all men facilities for voting, but they should be allowed to exercise their judgment as to how many candidates they will vote for. To carry the contention of the honorable member for Macquarie to its logical conclusion, an elector should be disfranchised if he did not see his way to vote at all, or if he recorded his vote in such a way as to make it informal. If the amendment is carried, electors will be at liberty to vote for the full number of candidates, but they will also have the privilege of voting for a lesser number if they feel inclined to do so.

Mr. REID (East Sydney).—I am placed in a position of considerable difficulty, because, having read the reasons which Ministers gave for doing quite the opposite to what they now propose, I was convinced by them, and the Minister for Home Affairs has given us no explanation of their change of attitude. Is it because of influence which comes from a certain part of the Chamber?

Mr. PAGE.—The right honorable member would like to be influenced in the same way.

Mr. REID.—One of the advantages of my position is that I can speak my mind. If my honorable friends knew what I think, I think they would be wiser. I think them good fellows, but they sometimes exert more weight in the Chamber than they are entitled to exercise. The Ministry should give us some other explanation than a strategical reason for a change of position. Personally, it seems to me that as both Chambers will have to give way in some matters, if the Bill is passed, it would be more sensible for the Senate to give way in those matters which more particularly affect the House of Representatives, and for the House of Representatives to give way in those matters which more particularly affect the Senate. What happens in connexion with this clause is that the Ministry will have the advantage of occupying the right position on at least one occasion.

Mr. HIGGINS (Northern Melbourne).—Any one who has represented a constituency by electing more than one member is aware of the great inconvenience and injustice which arises from the system of plumping. It leads to the misrepresentation of the opinions of electors, and to the most painful reactions between candidates and their constituents, and is not a fair way of ascertaining the real views of a constituency. At the same time, I think that the system of block-voting brings with it almost as great an injustice and does injustice to minorities. There is no doubt that if the opinions of the electors of New South Wales were represented in the Senate in proportion to the numerical strength of political parties in that Chamber, there would not be such a large preponderance of the representatives of one party in the Senate. Under the block-vote system, electors are compelled to vote as their party leaders tell them. It is useless for an elector to exercise his own judgment as to who to vote for the man who is not supported by the party or by some newspaper, but if he does so he only throws his vote away. I shall not propose it now, because it is late in the day, but for the Senate I like to see a system of proportional representation which would enable consistent minorities to be given fair representation in each Parliament.

Mr. THOMAS.—A number of honorable senators would like to see that system introduced into the House of Representatives.

Mr. HIGGINS.—Proportional representation in the House of Representatives is quite a different thing from proportional representation in a House for which three members are elected at a time from one constituency. But realizing that that is impossible, the question is—Are we to persist in this idea of allowing plumping? I find that for all practical purposes the proposal to allow plumping applies only to elections for the Senate, and I therefore think that we might fairly give way to the wishes of honorable senators upon the point. I agree that we are in both Houses interested in all measures affecting each House. I agree also that we are responsible to the people of Australia for seeing that, as regards both Houses, our system of election is a fair one. But when there is a difference of judgment, and when I regard the large majority by which the opposition to plumping has been carried in the Senate, I think we shall be engaged in a fruitless effort, even if it were a wise one, in attempting to insist upon this provision for plumping. I feel that it is of tremendous importance that we should get this Electoral Bill through. It is the most liberal electoral law ever passed in the world, and before this Parliament expires I should like to see this Bill the law of the land. It is not perfect. With many others, I do not like the block-vote system, but I admit, at the same time, that there are evils in the other system, and as we shall expect the Senate to give way to us in certain very important matters in connexion with this Bill, we should gracefully give way to them in their strongly expressed wish upon this question.

Mr. BROWN.—Where does the elector come in?

Mr. HIGGINS.—The elector is injured by the plumping system as well as by the system of block voting, but I believe the system of plumping is worse than the other, and anyone who has been through the mill in a constituency entitled to two seats must know that.

Mr. WATSON. — Nonentities may be shoved in by party interest under the block vote.

Mr. HIGGINS.—That is so, but I think it is our duty to try to get into the Bill such provisions as will best secure the opinion of the public being registered without regard to party advantage. I am sorry to think that party advantage has perhaps

largely influenced the action upon the provisions both for block voting and voting by plumping. I should be glad to support a reasonable provision to enable proportional representation to be given effect to in elections for the Senate.

Sir WILLIAM LYNE.—The Bill, upon its introduction, contained such a provision, but it was thrown out by the Senate.

Mr. HIGGINS.—I understand that is so. We must feel our way in these matters, and, personally, I should like very much to see a speedy decision come to in regard to this Bill, because we do not know at what stage we may all be sent to the country. In saying that, of course I speak without authority, and I, of course, speak with greater freedom, having less responsibility.

Mr. ISAACS.—The honorable and learned member fears an epidemic.

Mr. HIGGINS.—I have explained the reasons for which I intend to vote for not insisting upon this amendment. I sincerely hope the committee will see its way not to persist in an amendment which it is hopeless to carry.

Mr. CAMERON (Tasmania).—Looking carefully into the matter as to whether plumping is as objectionable as some opponents of the system would have us believe, I have come to the conclusion that there is nothing in the objection taken. An illustration which I propose to give will convince honorable members that the provision for plumping will not have the effect which it is anticipated. Honorable members are aware that in the case of the Tasmanian elections the State was polled as one constituency, and it was compulsory upon every elector to vote for three candidates. Up to within a very short time before the nominations closed the labour party in Tasmania had put forward only two candidates, Messrs. O'Malley and Whitelaw. But half-an-hour before the nominations closed the labour party sprung a surprise upon the community by nominating a man named Blanchard, who, up to that time, had been unknown in politics or anywhere else, the object being to enable them to throw away their votes. As each elector was compelled to vote for three candidates the party put up this man of straw, and when the poll was declared one of the first two labour candidates had a large majority, and the other a smaller vote, while Mr. Blanchard received only some 70 No. 1 votes, about

the same number of No. 2 votes, and he had something like 3,500 of No. 3 votes. Honorable members will see from that, that if plumping is not allowed all that it is necessary for a party to do is to sacrifice a small sum of money—

Mr. PAGE.—And run a “dead ‘un.”

Mr. CAMERON.—And as the honorable member says—“Run a dead ‘un.”

Mr. FOWLER.—Is it not an objectionable principle, according to the honorable member's argument?

Mr. CAMERON.—I think I am not called upon to answer that question. I merely desire to point out that whether we have plumping or block voting makes very little difference to the opportunity for party action.

Mr. CONROY (Werriwa).—As pointed out by the leader of the Opposition, one of the first things we have to remember is that we are dealing with a question affecting the other House more than this House. The Senate has asked us to assent to a certain form of voting, and to provide that every elector shall vote for at least three senators. As the matter affects them more than it affects us, we should give their proposal due weight.

Mr. BROWN.—It affects the electors, as well.

Mr. CONROY.—That is so, but the honorable member must remember that, as the Constitution stands at present, the States are asked to vote as States for the Senate, and we cannot get away from that fact. When honorable members speak of introducing proportional representation for the Senate, they quite overlook the fact that this is the House for which, if for any, proportional representation should have been introduced. I may say that if honorable members desire enlightenment upon the subject, I can refer them to a book written by Mr. Ashworth, of this State, which explains the two systems more concisely than any work which I have previously read. We are asked by the Senate to bring about a certain change in the law as originally proposed. I find that I can hardly say that, because the Government themselves at first suggested this provision and supported it, and then, possibly because of representations made by the honorable member for Bland, they changed their mind. Following their usual practice, Ministers said, “Yes, Mr. Watson.”

Mr. MAUGER.—The honorable and learned member should try something else.

Mr. CONROY.—I wish the Government would try something else, and say “No, Mr. Watson.”

Mr. WATSON.—Does the honorable and learned member not know that the Government supported this provision in the Senate before the Bill came here at all?

Mr. CONROY.—If I am asked, I must admit that I do not know what the Government have supported, as I think they would hardly disgrace the chameleon in the rapidity with which they can change. We are asked here to deal with a matter affecting the Senate, which is an entirely different body from this House, and which, if it represents anything at all, represents the people as States. No one who reads the Constitution can doubt that for a single moment.

Mr. PAGE.—I have heard the honorable and learned member doubt it.

Mr. CONROY.—The honorable member may have heard me suggest a doubt as to whether it is wise that such a provision should be contained in the Constitution, but that is a very different thing. There ought not to be more than two parties in a Parliament, and if we cannot get that principle recognised in this House, we should try to secure its recognition in the other. The existence of three parties in a House is not a success, and the truth of that statement is illustrated by the work which is done in this Chamber. In some cases the very members who bring about the changes in a measure are not those on whom any responsibility is thrown. If a measure is good, the party by whom it is introduced ought to have the credit of it; and if a measure is bad, the party by whom it is introduced ought to bear their responsibility. Those results cannot be secured when there are more than two parties in the House, because the blame can be so equally divided. If we accept the proposal of the Senate, the practical result will be that only two parties can be returned to that Chamber.

Mr. THOMAS.—The honorable and learned member does not believe in any labour men being returned.

Mr. CONROY.—If the labour men are in a majority, I believe that their candidates should be returned, and that is the very reason why I wish to see the responsibility for legislation cast upon their shoulders if

are equal to the burden; but if they are not equal to it, let them make way for us. I do not think that the House has a right to insist upon its opinion when the Bill is supported by a very large majority—by twenty-one in the first division, and eighteen to nineteen in the second one—has affirmed that the amendment ought not to be allowed. The opinion of that Chamber is at least entitled to respect here. There is no doubt that if we wish to see the Electoral Bill passed we have to give way to the Senate if it insists upon the clause. We might as well give way to the Senate with a good grace at the present time. We must consider the opinion of the Senate whether we like it or not, and the sooner we yield with a good grace the better for the Bill.

Question.—That the amendment be not insisted on—put. The committee divided.

Ayes	21
Noes	20

Majority	1
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AYES.

Mr. Mahon, N.	Page, J.
Mr. Mahon, E.	Ronald, J. B.
Mr. Mahon, J. H.	Sawers, W. B. S. C.
Mr. Mahon, A.	Solomon, E.
Mr. Mahon, J. M.	Thomas, J.
Mr. Mahon, L. E.	Tudor, F.
Mr. Mahon, C. C.	Watkins, D.
Mr. Mahon, Sir W. J.	Wilkinson, J.
Mr. Mahon, H.	Tellers.
Mr. Mahon, C.	Brown, T.
Mr. Mahon, A.	Watson, J. C.

NOES.

Mr. Mahon, A. H.	McEacharn, Sir M.
Mr. Mahon, J.	Paterson, A.
Mr. Mahon, R. A.	Quick, Sir J.
Mr. Mahon, R.	Reid, G. H.
Mr. Mahon, T. T.	Salmon, C. C.
Mr. Mahon, G. W.	Thomson, D.
Mr. Mahon, H. B.	Willis, H.
Mr. Mahon, I. A.	Tellers.
Mr. Mahon, J. C.	Smith, S.
Mr. Mahon, S.	Wilks, W. H.
Mr. Mahon, J. W.	

PAIRS.

For.	Against.
Mr. Mahon, A.	McLean, F. E.
Mr. Mahon, P. McM.	McMillan, Sir W.
Mr. Mahon, Sir G.	Braddon, Sir E.
Mr. Mahon, Sir J. L.	Smith, B.
Mr. Mahon, E. L.	Edwards, G. B.

Question so resolved in the affirmative.

Amendment in clause 158 not insisted on.

Clause 174 (Expenses allowed).

Question (by Sir WILLIAM LYNE) put.

Question.—That the amendment, omitting the words "Election agents," to which the Senate has insisted, be not insisted on.

Mr. MAHON (Coolgardie).—On a previous occasion the committee was very emphatic in excising these words from the clause. Every one knows that at a contest election agents involve candidates in large expense and embarrassment. Undoubtedly if one side is not allowed to utilize the services of an election agent the other side can get no advantage therefrom. In the past, election agents have been utilized in the service of wealthy candidates, and if we permit these words to remain, the tendency will be to give wealth a commanding position in securing representation in these Chambers. In going to the poll every man should stand as far as possible in an equal position. No handicap should be imposed on him on the ground of want of funds. Election agents are very often fruitful in abuses, in twisting the law, and in endeavouring to find loop-holes for tricks which, except in politics, most men would regard as unfair. Their whole tendency is bad, and, therefore, I hope the committee will insist upon its original decision in the matter.

Mr. McCAY (Corinella).—I confess that I am rather at a loss to know the principle upon which the Government are proceeding in regard to amendments which they propose to insist upon, and those which they propose not to insist on, unless their plan is to insist on those amendments to which the Senate will not agree, and not to insist upon those which the Senate is exceedingly likely to agree with. Previously this committee took a very definite view in regard to election agents, and there was a clear opinion that it was inadvisable to allow of their payment as an addition to election expenses. But now, without a word of explanation from the Minister as to why we should reverse our previous action, a resolution has been submitted that the amendment be not insisted on. I certainly want to know why we should give up what we decided upon before, as I am still of opinion that what we agreed to was a very wise amendment.

Motion negatived.

Amendments, omitting clause 197 and inserting clauses 197A to 197T, not insisted on.

Clause 198—

1. The High Court shall be the court of disputed returns, and shall have jurisdiction either to try the petition or to refer it for trial to the Supreme Court of the State in which the election was held or return made.

Motion (by Sir WILLIAM LYNE) proposed—

That the amendment omitting clause 198, to which the Senate has disagreed, be not insisted upon.

Mr. MAHON (Coolgardie).—Although we have decided against a Committee of Elections and Qualifications, and in favour of referring disputes to a court of disputed returns composed of Judges of the Supreme Court, still there is a strong feeling both amongst members of the House of Representatives and of another place that it is desirable to have an amalgamation of both systems. Therefore, I would urge that we should amend the clause we are now dealing with so as to provide that a Judge of the High Court, together with a committee of each House, shall be the Court of Disputed Returns, and shall have jurisdiction either to try election petitions or to refer them for trial to the Supreme Court of the State in which the election was held or the return made. I therefore suggest—

That the words "The High Court" be omitted with a view to insert in lieu thereof the words "A Judge of the High Court, together with a committee of each House."

I may state that the system which I suggest already exists in South Australia, and according to the testimony of all the honorable members from that State whom I have been able to consult—both in this Chamber and in the Senate—it has worked admirably. I think that with a Judge as chairman of a committee composed of members of Parliament, we should get a body that would be absolutely impartial, and we should also have a tribunal that would pay consideration to the litigants, and see that they were not put to any undue expense. The Judge would be there to state the law to the committee, and to assist them in rejecting irrelevant or immaterial evidence. I would ask the Minister for Home Affairs to take this suggestion into account. If he will do so, I believe that it will be gladly accepted in another place. This is the last remaining opportunity of putting forward the proposal, and if we do not avail ourselves of it, it will not be within the power of the other Chamber to make the required amendment. I think the Minister himself was in favour of this proposal some time ago. If he was not, I have possibly misread some of his remarks. With a Judge as chairman of a committee consisting of members from

both sides of the House we should have the best tribunal that it is possible to obtain—one possessing legal knowledge combined with common sense and a knowledge of the world.

Mr. L. E. GROOM.—Does the honorable member propose to differentiate between the functions of the Judge in regard to questions of law and of fact?

Mr. MAHON.—I merely make the suggestion hoping that the Government will accept it and draft an amendment that will properly carry out my proposal.

Sir WILLIAM LYNE.—The honorable member is mistaken in supposing that I was at one time in favour of the provision which he has suggested. It would be unwise to insert such a provision now.

Mr. MAHON.—The honorable gentleman was quite ready to accept it when a division went against him a few weeks ago.

Sir WILLIAM LYNE.—I was against it altogether. In the general debate it was shown that the practice named had been observed in South Australia. I was opposed to the adoption of that practice, and I hope the honorable member will not press any amendment in connexion with this matter now. I should prefer to leave the clauses as they were when we dealt with them at such great length upon a prior occasion. I feel that the adoption of the South Australian practice would not lead to any improvement in our present system. Personally I do not object much to an Elections and Qualifications Committee, but as we have decided against such a proposal, I hope the committee will agree to a Court of Disputed Returns practically as provided before. I think the time will come—probably after the next elections—when this provision will have to be eliminated from the measure. If I had held originally the opinion which I now entertain, I should have brought in a separate Bill dealing with this question, just as has been done in some of the States. I should not have complicated the measure with a provision of this kind; but as we have gone so far in the matter I hope the clause will be carried.

Mr. POYNTON (South Australia).—I am satisfied that the adoption of the suggestion made by the honorable member for Coolgardie would give eminent satisfaction. I know of no case tried under the South Australian system which has given rise to

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ssatisfaction. I feel assured that place would agree to the proposal. ge number of honorable senators prefer it to the provision now con- in the Bill. I was a member of the Australian committee for a number s. I think that during that time es came before us, and we invariably e advantage of a Judge's advice on ts of law. Each House selected its mmittee, and there was no case in ur decision did not give entire satis- . The system proposed by the honor- member for Coolgardie would be much tly than that for which the Bill pro-

L. E. GROOM (Darling Downs).—I e suggestion made by the honorable r for Coolgardie will not be pressed. t that the object of creating a court ated returns is that we may have a l which can sit in every State of the nwealth—wherever a cause of action

If the honorable member's proposal carried it would mean that the tes of each House appointed to the court in coming to a deter- on would have to be a migratory Under the Bill as it stands, if a f action arises in Western Australia, e be determined by a Judge sitting

If it arises in Queensland it may be ined by a Judge sitting there at any but if the honorable member's pro vere carried out it would mean that a number of members—at least a n—would have to travel to various of the Commonwealth in order to at- on a Judge. It would be unfortu- f that proposal were carried at this

In the first place, it would detract great extent from the value of the because it would compel all cases to ard at the seat of government, and ly at a time when the House was

The court would not be available y time. It would be preferable not e a mixed tribunal. I would point rther that the proposal would mean emodelling of the whole Bill. It ecessitate the insertion of clauses e the functions of the Judge e lay members of the tribunal, as well umber of machinery clauses similar to in the Statutes of various States.

are many other difficulties, and it e inopportune at this stage to carry e honorable member's suggestion. I

think we ought to stand by the Bill as it exists at present.

Motion agreed to.

Consequential amendments omitting clauses 199, 200, 201 not insisted on.

Clause 202—

The court of disputed returns shall sit as an open court, and its powers shall include the following:—

VIII.—To award costs.

Motion (by Sir WILLIAM LYNE) agreed to—

That the amendment omitting clause 202, to which the Senate has disagreed, be not insisted on.

Mr. CROUCH (Corio).—I understand that the Minister is in favour of limiting the costs which may be awarded by the court to a sum not exceeding £100.

Sir WILLIAM LYNE.—No. I really think that it would be unwise at the present time to insert a limitation as to costs. A bogus action might be brought against an innocent person, and I think that in such a case the party against whom the petition was lodged should not be deprived of his right to recover costs.

Mr. CROUCH (Corio).—I move—

That the clause be amended by the insertion of the words "not exceeding £50" after the word "cost."

I think it is very proper that a limitation should be placed upon the power of the court to award costs. The establishment of a Court of Disputed Returns in England has caused a large number of electioneering barristers and solicitors to spring into existence. Enormous bills of costs are compiled by electioneering lawyers. Very large fees are marked on their briefs, and it is impossible for a poor man to proceed with a case.

Mr. JOSEPH COOK.—The honorable and learned member has assisted in setting up the court. Can he not trust it?

Mr. CROUCH. — Yes. But when a court dismisses a case it usually adds in a casual way—"With costs." It does not often know what those costs are likely to be. As to any man of straw being put up, I would point out that it is necessary to lodge only £50 in order to commence proceedings. Clause 200 provides that—

At the time of filing the petition, the petitioner shall deposit with the principal registrar or district registrar (as the case may be) of the High Court the sum of £50 as security for costs.

My proposal is certainly in the interests of the poor man, and I ask the committee to accept it.

Mr. CONROY (Werriwa).—There is an objection to limiting the amount of costs which may be allowed. For example, if a poor man were elected, a wealthy opponent might put him to a lot of expense in proving his election, knowing very well that costs amounting to only £50 would be recoverable against him. That would be a mere bagatelle to him. The person returned might be put to twice or three times that expense, and why should he not be able to recover his taxed costs if he is successful? Is it not possible that a man might lodge a petition merely for the sake of aggravating his successful opponent, knowing that it would not involve him in costs exceeding £50, while, perhaps, the sitting member would be put to far greater cost in preparing his case? Of course such a case would not happen very often, but still, if it did happen, the successful party should be entitled to recover the costs to which he had been put, and we cannot do better than allow them to be fixed by taxation. I consider that a man should be entitled to recover his costs, otherwise a premium will be held out to a wealthy organization, or to some wealthy man who does not mind a loss of £50, to put an opponent to a great deal of expense. I think the honorable and learned member for Corio will see that a case such as I have suggested might readily arise. Such a limitation as that proposed by him might be very injurious, for even a member who was not likely to be unseated, would be compelled to go to some expense in preparing his case. If a petitioner is actuated by wrong motives, it is only right that the court should be able to award the full amount of costs against him.

Mr. CROUCH (Corio).—It has been suggested that the maximum amount of costs which can be awarded should be fixed at £200. I know very well that that sum would not meet the case. I am perfectly aware that to contest some disputed elections in England costs from £2,000 to £2,500. That is the principal objection which can be urged against the establishment of a court and in favour of the appointment of a committee. In Victoria a little while ago, the costs in appeals from courts of petty sessions used frequently to aggregate £70. The State Parliament, however, has since limited the amount to

£20, and almost invariably the costs fall below that sum. If the committee wish the Court of Disputed Returns to be respected, I ask them to support the amendment.

Mr. MAHON (Coolgardie).—I do not think that there is anything in the proposal of the honorable and learned member for Corio. Paragraph (c) of clause 199 allows a petition to be lodged by any person who is qualified to vote at an election. The following clause sets out that £50 shall be deposited by the petitioner as security for costs. But let us suppose that the Bill contained the proposal of the honorable and learned member for Corio, and that a wealthy but unsuccessful candidate wished to put the successful candidate to expense. To accomplish his object he would merely have to induce a "dummy" to deposit £50 of his own money as security for costs. In the event of failure of petition the person declared elected would not be able to recover more than £50, because the petitioner would probably be a man of straw.

Mr. CROUCH.—He could get an order for maintenance.

Mr. MAHON.—But he would first have to prove connivance between the "dummy" and the petitioner. The honorable member's proposal is absolutely valueless, unless the wealthy candidate who has been unsuccessful is foolish enough to sign his own name to the petition. Moreover, is it not everyday experience that if a man is worth costs they can be recovered against him, but that if he is not it is impossible to recover them? I should like to see provision made for larger security being given for costs, but the proposal under consideration would not assist in that direction one iota.

Mr. JOSEPH COOK (Parramatta).—I trust that the amendment will be withdrawn. It appears to me that it is a little inconsistent for those who voted to establish this court to now seek to fetter its operations in every possible way. If a complicated case came before this tribunal does the honorable and learned member for Corio suggest that lawyers could be engaged who would be prepared to see it through for a paltry £50?

Mr. CROUCH.—What need is there of the services of lawyers?

Mr. JOSEPH COOK.—I think that there will be very great need for their services. I venture to say that it will be

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for a layman to contest an election in this court unless he is represented by a lawyer, and the better his lawyer the greater his chance of success. That is why I entertain such a strong objection to the establishment of a legal court. I can only foresee the most disastrous consequences from such a limitation proposed.

Amendment negatived.

Amendment omitting clause 203 and 204, not insisted on.

Amendment (Immaterial errors not to be insisted on).

Amendment (Sir WILLIAM LYNE) proposed.

Amendment omitting clause 205, to which the Senate has disagreed, he not insisted on.

Mr. L. E. GROOM (Darling Downs).—I ask the Minister if he has considered the extent to which the Court of Criminal Returns has power to declare a member of the House of Representatives on the ground of bribery or corruption. It seems to me that no specific provision has been made to render a member ineligible to hold his seat for either of those offences. A conviction has to be obtained before a seat can be declared vacant.

Sir WILLIAM LYNE.—When this Bill was under consideration I inquired into every matter, and I was informed that the Court has power to declare a seat vacant for the offences named.

Amendment agreed to.

Amendment omitting clause 206 to 210 inclusive, not insisted on.

Amendment—

Amendment of the High Court or a majority of the Justices to make rules.

(by Sir WILLIAM LYNE) agreed to.

Amendment omitting clause 211, to which the Senate has disagreed, he not insisted on.

Mr. GLYNN (South Australia).—It appears that in connexion with the proposed Bill referred by this clause there is a provision. Until the High Court is established, no other tribunal is vested with power to make these rules of court. I think, therefore, the Governor-General should have power to frame these necessary regulations until the establishment of a High Court.

Sir WILLIAM LYNE.—If there is any doubt as to the matter it would be wise to deal with it.

Mr. GLYNN.—Then I move—

That the clause be amended by the insertion after the word "them" of the words "or until the High Court is established the Governor-General."

Amendment agreed to.

Mr. L. E. GROOM (Darling Downs).—

Under this clause the Judges have power to make rules of court, but there is no provision that such rules shall be laid upon the table of the House. Under the Judiciary Bill, it is provided that every rule of court must be submitted to Parliament, so that, should it be found to contain anything with which the Legislature disagrees, it can be annulled. Here we are delegating very important powers, and I think we should, therefore, provide that rules of court made in pursuance of this provision shall be laid upon the table of the House. I hold that Parliament should retain the same control over the Judges when they are sitting as an election tribunal as it does over them when they are sitting to administer any other branch of the law. This is really a case of delegating legislation, and in all such cases we should retain, as it were, a power of veto, so that control may be exercised where it is considered any injustice is done.

Sir WILLIAM LYNE.—Has the honorable and learned member an amendment to move?

Mr. L. E. GROOM.—I move—

That the clause be further amended by the addition of the following words:—"Every rule of court made in pursuance of this section shall be laid before the Senate and the House of Representatives within 40 days next after it is made, if the Parliament is then sitting, or if the Parliament is not then sitting, then within 40 days after the next meeting of the Parliament; and if an address is presented to the Governor-General by either House of the Parliament within the next subsequent 40 sitting days of the House, praying that any such rule may be annulled, the Governor-General may thereupon annul the same; and the rule so annulled shall thenceforth become void and of no effect, but without prejudice to the validity of any proceedings which have in the meantime been taken under it."

Mr. GLYNN (South Australia).—I draw the honorable and learned member's attention to clause 215 and ask whether it would not be better to make in this clause the same provision as is made there in regard to regulations?

Mr. L. E. GROOM.—In that case there is no power to annul.

Mr. GLYNN.—No doubt, but I would scarcely go the length of allowing Parliament to annul the decisions of the court.

Sir WILLIAM LYNE.—A similar provision is in the Judiciary Bill.

Mr. GLYNN.—We have not yet seen the provisions for procedure under the Judiciary Bill. Usually these rules are not subject to control.

Mr. L. E. GROOM.—They are in England.

Mr. GLYNN.—In some States they are not subject to the control of Parliament; but I agree with the amendment of the honorable and learned member for Darling Downs.

Amendment agreed to.

Amendment inserting new clause 213A not insisted on.

Amendments in Form M, Form Q, and Form R insisted on.

Amendment omitting clause 182, to which the Senate had disagreed, passing the clause in an amended form, insisted on.

Clause 146—

If the name under which the person claims to vote is upon the list of voters for the polling place, or if he delivers to the presiding officer a voter's certificate the presiding officer or a poll clerk shall hand to him a ballot-paper duly initialed

Sir WILLIAM LYNE.—The House of Representatives omitted the words "he delivers to the presiding officer a voter's certificate," and inserted "his name is on the roll for the division, and he makes and signs a declaration as required by section 140A." The Senate disagreed to the insertion of the words just quoted, and made a consequential amendment by adding the following proviso to the clause :—

Provided that the fact that an elector's name is not on the list of voters for the polling place shall not prevent him from voting in cases where provision is made by regulation allowing electors to vote at polling places other than the polling places for which they are enrolled.

I move—

That the amendment be not insisted on, and that the proviso be amended by adding, after the word "enrolled," the words "subject to section 140A."

Motion agreed to.

Resolutions reported; report adopted.

CLAIMS AGAINST THE COMMONWEALTH BILL.

In Committee:

Motion (by Mr. DEAKIN) proposed—

That it is expedient that an appropriation of moneys be made for the purposes of a Bill for an Act to make temporary provision for enforcing claims against the Commonwealth.

Mr. GLYNN (South Australia).—I wish to know if the Attorney-General intends to go beyond what appears to be the scope of the proposed Bill? I understand that the Bill which he is about to introduce merely gives power to sue the Commonwealth in the State Courts pending the establishment of the High Court. When the Post and Telegraph Bill was under discussion I several times pointed out that it contained no provision giving a right of action against the Commonwealth, and I have on other occasions drawn attention to the fact that there are no tribunals which have express jurisdiction in regard to cases, whether against the Crown or between private citizens, arising under Commonwealth Acts. The Attorney-General told me, when we were dealing with the Post and Telegraph Bill that, although no specific jurisdiction was given to the State Courts, he thought that those tribunals would deal with cases arising under the Act; but in Sydney the other day, a man who wished to sue the Commonwealth to recover £500 damages, failed, first, because it was held that no right of action against the Commonwealth had been conferred upon private citizens, and, secondly, because the Court refused to exercise jurisdiction in the case.

Mr. DEAKIN.—That was the opinion of only one Judge.

Mr. GLYNN.—It was stated at the time that it was not likely that the Ministry would allow injustice to be done, and, perhaps, the Attorney-General can tell us what is to be done in that case. Will they make special provision for meeting the claims of the individual whose case has been defeated because of their negligence? Why should they not bring in a Bill at once to allow the State courts to deal, not only with litigation between citizens of the Commonwealth, but to try all causes of action which may arise under the Constitution or any Commonwealth enactment, until such time as the High Court is established?

Mr. L. E. GROOM.—Would the honorable and learned member allow the State courts to issue all sorts of writs?

Mr. GLYNN.—Yes. The Constitution provides that Parliament may confer such powers on the State courts. In that respect it differs from the American Constitution. It provides that every title of federal jurisdiction, whether in connexion with a mandamus against the Crown, or an injunction,

thing else, may be vested in the Courts of the States as well as in the High Court. There is no jurisdiction which may be conferred upon the Court which we have not power to confer on the Supreme Courts of the States. Justification, then, is there for the view of the Ministry about allowing the Courts of the States to deal with matters of litigation arising under the Constitution or under Commonwealth enactments until the establishment of the High Court.

I cannot see why we should not let the Supreme Courts of the States. It is contended that it is undesirable for cases between State and State to be decided by the Supreme Court of any State. But such cases will not occur for 50 years. Practically all the litigation that will arise will be between individuals. Why should not a claim against the Minister for Trade and Customs be decided by the Supreme Court of a State? CONROY.—They are now.

GLYNN.—The Minister for Trade and Customs is probably the only Commonwealth officer against whom a citizen can obtain an injunction. I think that the Constitution a citizen has a right of action against the Commonwealth when it retains his property, although no such right is expressly conferred. I cannot, however, see any reason for vesting justice to the citizens of the Commonwealth until the establishment of the High Court. We are protected against the possibility of conflicting decisions by the right of appeal to the Privy Council. Ought we be afraid of the exercise by the people of the right of appeal to such an august tribunal as that? In the Convention I was for the abolition of the right of appeal to the Privy Council, but I am not so prepared in the matter as to contend, now the Constitution allows the right, that it should not be permitted to exercise it. It is absurd for the Ministry to deny the right to the citizens of the Commonwealth and their practical refusal to confer federal jurisdiction on the Supreme Courts of the States.

We ought at once to pass a Bill containing four clauses, providing that in any case arising under the Constitution, or any Act passed by this Parliament, jurisdiction is exercised by the Supreme Courts of the States.

JOSEPH COOK.—Is not that what is to be done?

Mr. GLYNN.—No. The Bill about to be introduced is simply a measure to cover the denial of justice which occurred the other day in Sydney. Personally, I think that the Supreme Courts can entertain such actions. It seems to me that jurisdiction exists in every court of the realm as a matter of common law, and consequently in the Supreme Courts of the States; but we should not leave the matter in doubt. I hope that the Attorney-General will introduce a short Bill to enable all matters of original jurisdiction—not of appellate jurisdiction—to be decided by the Supreme Courts of the States. During the sittings of the Convention, I tried to get this right of action embedded in the Constitution, but, unfortunately, all that the Constitution provides is that Parliament may pass laws giving a right of action against the Commonwealth. The Attorney-General should allow every single point of litigation against the Commonwealth or between private individuals under the Constitution, or under Commonwealth Acts, to be within the jurisdiction of the Supreme Courts of the States until the High Court is established. At the present time people are under the impression that nothing can be done until the High Court is established, but there is nothing to prevent the vesting of the necessary jurisdiction in the Supreme Courts of the States. It is a pity that this has not already been done. It was the manifest desire of the members of the Convention that it should be done.

Mr. CONROY (Werriwa).—I thoroughly indorse the remarks of the honorable and learned member for South Australia, Mr. Glynn, and I trust that the Government will see its way to introduce a Bill conferring jurisdiction in all cases arising under Commonwealth laws upon the Supreme Courts of the States. Section 71 of the Constitution says that—

The judicial power of the Commonwealth shall be vested in a Federal Supreme Court, to be called the High Court of Australia, and in such other federal courts as the Parliament creates, and in such other courts as it invests with federal jurisdiction.

Clearly that section empowers us to confer jurisdiction upon the Supreme Courts of the States, and under the Customs Act we allow actions to be brought by the Commonwealth in the police courts. Sections 75 and 76 of the Constitution deal with the original jurisdiction and additional

original jurisdiction of the High Court, and in section 77 it is provided :—

With respect to any of the matters mentioned in the last two sections, the Parliament may make laws

(I.) Defining the jurisdiction of any federal court other than the High Court :

(II.) Defining the extent to which the jurisdiction of any federal court shall be exclusive of that which belongs to or is vested in the courts of the States :

(III.) Investing any court of a State with federal jurisdiction.

Mr. L. E. GROOM.—Perhaps the Bill is intended to do that.

Mr. CONROY.—No. The Attorney-General has told us that he does not propose to give this power to the States courts. But it must be remembered that no new body of citizens was created by the establishment of federation. The citizens of the Commonwealth are the same people as the citizens of the States. If we do not invest the States courts with jurisdiction in regard to cases which will perpetually arise, we shall have to establish not only an appellate High Court, but federal courts exercising jurisdiction similar to that exercised by district courts, and instead of providing appointments for four or five lawyers, we shall have to create positions of one kind and another for 400 or 500 persons, because we shall require federal district courts, circuit courts, and an appellate court. If we do that, there will be an outcry on the part of the people. The remedy against such extravagance is to invest the States courts with jurisdiction. The Ministry seem to welcome the opportunity to show that difficulties now exist in the way of citizens proceeding against the Commonwealth, in order to strengthen the case for the establishment of a Federal High Court, but the existence of these difficulties really strengthens the case for the investment of the State courts with federal jurisdiction. If necessary we can afterwards create a federal appellate court, but there is already in existence the Privy Council, to which appeal can be made where there is dissatisfaction with the judgments of the Supreme Courts. I shall strongly oppose the creation of a large number of legal offices. In my opinion, if the States courts are not invested with federal jurisdiction, the Commonwealth will be involved in an expenditure of £150,000 or £250,000 a year for the maintenance of federal courts. I do not think that that would be right. In America there are federal, district, and

circuit courts, as well as a Federal High Court, and if we do not invest the State courts with federal jurisdiction, we must establish similar courts here. If we were dealing with an entirely different body of citizens we might establish such courts for them, but every citizen of the Commonwealth is a citizen of some one of the States.

Mr. PAGE.—This is a boggy of the honorable and learned member's own creation.

Mr. CONROY.—I assure the honorable member it is not. In this particular case of Hannah against Drake, the facts were these : A cabman was standing in Elizabeth-street with his horse and cab, and while repairs were being effected to one of the telegraph lines, the wire was cut and fell across an electric wire, and also on to the cab-horse. An electrical connexion was established, the horse was struck dead, and the cabman was thrown off his cab and seriously injured, and he has no remedy whatever.

Mr. PAGE.—This Bill is intended to give him a remedy.

Mr. CONROY.—Does not the honorable member see that hundreds of other cases may arise in a hundred other forms? I asked the Attorney-General whether it was intended to invest the State courts with federal jurisdiction, and he said "No."

Mr. DEAKIN.—I said no such thing.

Mr. CONROY. — Then I shall ask the honorable gentleman directly whether it is his intention to pass a Bill to confer federal jurisdiction upon the State courts.

Mr. DEAKIN. — So far as providing remedies against the Crown is concerned, yes.

Mr. CONROY. — The honorable gentleman proposes the Bill for one purpose only.

Mr. L. E. GROOM.—Could not the honorable and learned member deal with this upon the second reading of the Bill?

Mr. CONROY.—It might be dealt with upon the second reading of the Bill, but the difficulty then may be that we shall not be able to amend the Bill in the direction desired. I can assure honorable members that, unless we confer federal jurisdiction upon the State courts, this Bill will mean largely increased expense to the people of Australia, and it will mean the appointment to offices of a great many lawyers. At the time the Constitution was framed the members of the Convention saw the difficulty, and that is borne out by the fact that section 71 of the Constitution enables Parliament to invest the State courts with jurisdiction, and

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before clear that we have an out of the difficulty. I realise that the honorable and member for Bendigo, Sir John his work upon the Commonwealth, pointed out that pro- the first two or three years it found advantageous for the Com- to confer this jurisdiction upon courts, in view, first of the saving a, and also in view of the ex- which will be gained; two very sons for adopting the course sug- would ask the Attorney-General the suggestion, and confer federal n upon the State courts for at next six months. By the time t next meets we should know e arrangement works well or ill, as been found to work badly we t. Ministers in this Bill propose th one case instead of grasping as a whole. I ask every mem- committee interested in keeping expenses of the Government to Ministers the course suggested honorable and learned member for and other members of this House.

Mr. O'MALLEY (Tasmania).—I desire the declarations of the honorable d member for Werriwa. In the , if we appoint three Federal d then vest the Supreme State h jurisdiction, we can save all ase the honorable and learned as talked about.

Mr. AKIN.—There is no such proposal Bill. It does not appoint any d it does not involve any such

Mr. O'MALLEY.—Then what was our and learned friend talking

Mr. AKIN.—I do not know.
is resolved in the affirmative.
ion reported and adopted.

PARLIAMENTARY ALLOWANCES BILL.

Committee :
(by Sir WILLIAM LYNE) pro-

is expedient that an appropriation be made for the purposes of a Bill relating to the allowances to mem- House of the Parliament of the alth.

Mr. O'MALLEY (Tasmania).—Is this a Bill to provide an allowance for our hard work during the last two years?

Sir WILLIAM LYNE.—If the honorable member will give me a chance, I shall let him know the object of the Bill.

Mr. O'MALLEY.—I should like the Minister to explain its purpose so that I may know what I am doing, because I am nearly in the Destitute Asylum.

Sir WILLIAM LYNE (Hume—Minister for Home Affairs).—The Bill is being introduced to get over a difficulty which occurred in the Senate regarding a clause in the Electoral Bill the object of which was to allow senators and members of the House of Representatives to claim their allowance from the date of their election, instead of from the date of their being sworn in. The clause was inserted in the Electoral Bill in this House, but an objection was taken in the Senate to its insertion on the ground that it was not covered by the message from the Governor-General, and therefore it was disagreed to. In a short Bill I have embodied the provision, which could not be carried through the Senate in the other Bill.

Mr. O'MALLEY (Tasmania).—The explanation of the Minister has taken the heart out of me. I supposed that the Bill meant something. It should have been called a Continuation Salary Bill, not a Parliamentary Allowances Bill. We have all been expecting during the day that there was some hope of our getting £200 more per year, so that we could keep out of the Destitute Asylum, and now the Minister has disappointed all of us.

Mr. CONROY (Werriwa).—I understand from the Minister for Home Affairs that the Bill consists of a few clauses, to cover a provision which would have been retained in the Electoral Bill if it had been thought by the Senate that the Constitution permitted the thing to be done in that way. It was urged in that Chamber that the provision exceeded the order of leave.

Mr. A. McLEAN (Gippsland).—We ought to have a little more information about the measure before it is introduced. I understand from the Minister for Home Affairs that its object is to allow the members of the two Houses to draw their remuneration from the date of election, instead of from the date of being sworn in.

Sir WILLIAM LYNE.—From the day on which a member's name is certified by the Governor of a State to the Governor-General.

Mr. A. McLEAN. — Does that mean that the Parliament is to last for three years from the date of election, or three years from the date of members being sworn in? If it is to last for three years from the latter date, the members may draw their salaries for considerably over three years in one Parliament. I think we are entitled to know what the Bill provides for.

Sir WILLIAM LYNE.—I thought that I had made the object of the Bill plain to honorable members. It contains the following provision :—

1. The allowance to each senator under section 48 of the Constitution shall be reckoned—
 - (a) in the case of a senator chosen at the first election after a dissolution of the Senate, from the day of his election ;
 - (b) in the case of a senator chosen to fill a place which is to become vacant in rotation, from the first day of January following the day of his election ;
 - (c) in the case of a senator chosen or appointed to fill a casual vacancy, from the day on which his name is certified by the Governor of a State to the Governor-General.
2. The allowance to each member of the House of Representatives under section 48 of the Constitution shall be reckoned from the day of his election.

Mr. A. McLEAN.—Will it be possible for an honorable member to draw his allowance for more than three years?

Sir WILLIAM LYNE.—I do not think so.

Question resolved in the affirmative.

Resolution reported and adopted.

Bill presented, and read a first time.

Sir WILLIAM LYNE.—I move, *with concurrence*—

That the Bill be now read a second time.

I read the whole of the Bill to honorable members just now. I think it is clearly understood what it provides for. The question was debated when the clause, which is practically the same as this Bill, was inserted in the Electoral Bill before it was returned to the Senate. The provision has been embodied in a separate measure simply because it was considered in the Senate that it was outside the order of leave of the Electoral Bill, and therefore could not be passed in that way, and desiring to carry out the alteration in the way I am doing

now I have introduced this Bill hurriedly at the last moment.

Question resolved in the affirmative.

Bill read a second time.

In Committee :

Clause 1 (Short title).

Mr. A. McLEAN (Gippsland).—I think that we should not hurry on the passage of a Bill which increases the expenditure of the Commonwealth, without a little consideration. Very often an important principle involving a considerable expenditure of public money is introduced in a Bill in the same way as this provision was inserted in the Electoral Bill, and many persons may not observe its effect. Certainly the effect of this Bill will be to largely increase the public expenditure, by making the remuneration of members extend over more than three years. The duration of a Parliament may be three years and two or three months, but at the present time a member can draw remuneration for only three years.

Mr. CONROY.—That could not be, because the Constitution Act provides that a Parliament cannot last for more than three years.

Mr. A. McLEAN. — It provides that a Parliament may last for three years from the time when the members are sworn in. On one occasion I was elected for five months before the State Parliament met and the members were sworn in, but we did not draw any allowance for that period. It is not desirable to rush these matters through the Chamber. A little time for reflection should be taken before we increase the expenditure of the Commonwealth.

Sir WILLIAM LYNE.—I do not know whether the honorable member for Gippsland was present when the clause was introduced into the Electoral Bill, but it was discussed here from various stand-points, for a considerable time. I should not have introduced the Bill in the way in which I have done to-night, except to get over a technical difficulty which has arisen. Otherwise the Senate was agreeable to the provision, while this House was practically unanimous in favour of its enactment in the Electoral Bill. It is not a new question which is being introduced. It was thrashed out in the Senate, and approved of ; but a technical objection was taken to the insertion of the clause in the Electoral Bill on the ground that it was outside the order of leave.

McLEAN.—Surely there cannot be any time in which to deal with this now!

WILLIAM LYNE.—We have not time in which to deal with this. If it were a serious matter, I defer to the wish of the honorable

McLEAN.—So far as expense is concerned, it is more serious than the Government seems to imply.

WILLIAM LYNE.—I disagree with the honorable member on the question of time. If honorable members are to draw their seats for three years and a half, or three months, they ought to be sworn in, or on one occasion the honorable member was acting as a member of the Parliament for five months before he was sworn in, and he was not paid. That he ought to have been paid. I am hard on any honorable members who are paid in such circumstances. The honorable member for Western Australia might not have attended the first session of a Parliament, and if they did not, as was the case in the instance last year, they could not draw their allowance for some months.

McLEAN.—Not until they begin to perform their duties.

WILLIAM LYNE.—One or two cases have occurred of honorable members being unable to be sworn in. In such cases, owing to illness, an honorable member could not draw his allowance for a considerable time after he was elected. For instance, a representative of Western Australia did not happen to be in the country when the session was opened, and he did not draw his allowance for a considerable time, until the House met for the celebrations had been concluded. The right honorable and learned member for East Sydney was in that position, and he did not take his allowance at all in the first instance. The provision in the Constitution is that these are the cases which we are to consider this question, and to fix a date when a claim could be made. That date should be the date when the candidate knows he is elected. I think that there is not much ground to be made for the passage of the Bill.

McLEAN.—Every new move we make in the way of creating additional

WILLIAM LYNE.—I like to be as simple as possible, but I do not join in

the great outcry that everything is going to the dogs because members of Parliament are paid. I never did believe in that cry. There are more legitimate ways of reducing expenditure than by decreasing the allowance of those who work very hard. I do not wish the honorable member for Gippsland to think that I want to rush the measure through the Chamber. If it is the pleasure of the committee that more time for its consideration should be allowed, I am willing to defer to their wish; but, at the same time, I do not see the possibility of any harm being done by passing the Bill after the long discussion we had on the question.

Mr. A. McLEAN.—I think it would be decent to take the usual time to consider the Bill.

Sir WILLIAM LYNE.—Our time is getting short.

Sir MALCOLM MCEACHARN.—We are dealing with a measure which affects ourselves, and, therefore, it would be better to take more time.

Sir WILLIAM LYNE.—That is straining at a gnat and swallowing a camel. The provision has been discussed twice, and approved of almost unanimously by both Houses. Surely, there can be no exception taken to the passage of the Bill under those circumstances.

Mr. O'MALLEY (Tasmania).—The Bill simply puts private members on a dead level with Ministers. In the olden times, after an election the Ministry called Parliament together so that honorable members could draw their allowances; but if a man was unfortunate enough to be elected and not to be sworn in before the close of a session, he had to wait six or seven months—as Mr. Williams had to do at St. Kilda, and Dr. Salmon at Talbot and Avoca.

Mr. SYDNEY SMITH. We have had two or three cases of that kind in New South Wales.

Mr. O'MALLEY.—For two or three months before I came to Melbourne I was trotting up and down for my constituents and outsiders. I had to knock about here and there.

Mr. A. McLEAN.—That is not the work which we were elected to do.

Mr. O'MALLEY.—The whole idea of an honorable member is to put on the screw, so that a man of ability will not stand for a seat in Parliament. Because he is offered a starvation wage, he will prefer to stay

outside, where he can make more in an hour than he could do here in a year. That is what it is coming to. The honorable member wishes to have a House full of imbeciles.

Clause agreed to.

Clause 2 agreed to.

Bill reported without amendment; report adopted.

Bill read a third time.

ADJOURNMENT.

FEDERAL CAPITAL SITES: IRRIGATION WORKS.

Motion (by Sir WILLIAM LYNE) proposed—

That the House do now adjourn.

Mr. JOSEPH COOK (Parramatta).—I understood that the question of the federal capital sites was to be determined to-night. The Acting Prime Minister told us that it was to be so, and that he was anxious that the Minister for Home Affairs should bring on the question when we had disposed of the Bills which have just been dealt with.

Sir WILLIAM LYNE.—That was so, but it was not expected that the discussion of those Bills would continue until ten o'clock. The matter could not be disposed of to-night. I happen to know that two or three amendments will be moved which will involve considerable discussion. I shall probably take three-quarters of an hour myself.

Mr. JOSEPH COOK.—When are we to have the matter dealt with?

Sir WILLIAM LYNE.—We shall deal with it as soon as we can possibly find time for it.

Mr. JOSEPH COOK.—That is a statement that we have often heard from the Minister. He is trifling with the question. We cannot get to know anything definite about it. I am surprised that honorable members on my own side of the House do not insist upon its being dealt with.

Mr. McDONALD (Kennedy).—I understood that the matter of the selection of the capital sites was to be brought on to-night. We were promised last night that it would be dealt with.

Sir WILLIAM LYNE.—It is not quite fair to ask me to bring the matter on at ten o'clock at night.

Mr. McDONALD.—Last night we were promised that everything would be done to try to bring the session to a close at the

earliest possible moment, even to the extent of sitting late and early, and on extra days in the week. But to-night we are asked to adjourn at three minutes past ten, whilst last night we adjourned at nine o'clock. I certainly think that the Minister for Home Affairs might have made his speech introducing the motion. Now his speech will take up the best part of an afternoon.

Sir WILLIAM LYNE.—I am not a long-winded speaker.

Mr. McDONALD.—The honorable gentleman said he would take three-quarters of an hour. If he delivered his speech to-night, honorable members would have time to catch their last trams and trains. There has been no honest and legitimate attempt to bring the session to a close, but, on the contrary, there has been a considerable waste of time ever since the session started. I enter my protest against the adjournment. To-morrow we must take the Budget debate, as special arrangements have been made for it, so that the matter of the federal capital will have to be postponed indefinitely.

Mr. THOMSON (North Sydney).—I agree with the previous speakers that it is time that the matter of the selection of the capital sites was given some precedence of other business. Everything else seems to be taken in front of it. It is important, as has been pointed out, that the subject should be dealt with, so that the initial steps and the necessary inquiries may not be improperly rushed. I do not know whether the Government are going to allow it to stand over until the Estimates have been dealt with. If so, we shall be curtailing the time necessary for proper inquiry, and there must be one of two results. Either the information will not be available in time, or will not be based upon a sufficiently close inquiry. I desire also to ask the Minister for Home Affairs for some explanation of the answers given to-day to certain questions of mine regarding the use of the waters of rivers, and the possible interference with their navigation. In answer to my first question—

Whether in the preservation of navigation it is not the right and the duty of the Commonwealth to inquire into and approve or oppose, as inquiry may justify, State enterprises for the storage or abstraction of the waters of navigable rivers or their affluents?

The Minister said—

I believe it is the constitutional right, and if the navigability was to be interfered with it is the duty.

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says in the second answer that—

no necessity for inquiry unless it is that the effect in No. 1 question will be.

It is an interference with navigation. Can it be apparent that there is an effect unless an inquiry takes

WILLIAM LYNE.—If the honorable member will read further, he will see that in an answer, which says that if the work is carried out and the navigation is interfered with, the diversion of the river will be stopped.

DOMSON.—Until an inquiry has been made it cannot be apparent that there is interference. But surely the inquiry made before the construction of the works takes place.

WILLIAM LYNE.—Why? If a State is to do the work and take the risk, there is no reason if that State can be stopped from doing it.

DOMSON.—After all the expenditure, what is the State to do?

WILLIAM LYNE.—That is the State's

DOMSON.—Is it just to a State to be induced to incur expenditure without any question being raised, when, after extensive works have been constructed and people have been taking up land in anticipation of the water from these works, the Commonwealth should step in and say—"You have exceeded your rights, and your work must be abandoned"? That surely is a reasonable nor a sensible procedure. If, after inquiry cannot take place in sufficient time, should not a date be given and steps taken to the States that any exceeding of the State rights or interference with navigation will subsequently have to be paid by the Commonwealth? The member says that the Commonwealth can construct the works pro water being taken. Even for the sake of amicable relations with the States is it necessary that if we do inquire we should inquire at the time when least it can be done. Then, as to my last

the member will see that the necessary steps to safeguard the interests of the Commonwealth and of each of the States concerned?

the member said—

as far as navigation is concerned.

Well, that does not answer the question. It does not state distinctly that any such steps will be taken in connexion with the particular project which has been mentioned. It merely indicates that steps are only takable as far as navigation is concerned. This is a matter of interest to several of the States. I do not wish to interfere either with the State that proposes the scheme or any other State, but I do desire that the Minister should be seized of the importance of acting in any matter that has been consigned to the care of the Commonwealth—of acting wisely, promptly, and in such times that unnecessary expenditure will not have been incurred by a State under the idea that the silence of the Commonwealth means consent. I also want to know whether the Minister will give an indication of what he is prepared to do before a State is committed to a scheme that must draw heavily upon the water of one of the principal Inter-State rivers?

Mr. SAWERS (New England).—In reference to the discussion about the capital site, as the matter stands now the Minister for Home Affairs has put a motion upon the business-paper, and has intimated to the House that he will move it when convenient. We want to have some definite time fixed when the motion will be moved. I waited to-night, at considerable inconvenience to myself, because I understood that the Minister intended to introduce the question. I do not find fault with the Government in their conduct of business, but in a matter of this sort, especially when the Government knew that I intended to propose an amendment, I think that I and others are entitled to know the definite date when the matter will be brought forward. It will be very disgusting, if I may use that expression, to find the subject suddenly sprung upon the House at a late hour. I should feel aggrieved if it came up when I was not present and did not anticipate it. The Minister should indicate when he intends to bring the subject forward.

Mr. FULLER (Illawarra).—I feel exceedingly dissatisfied with the reply made by the Minister for Home Affairs with regard to the matter of the capital sites. I stayed here to-night purposely, because I was led to believe that a distinct promise had been given by the Acting Prime Minister that the matter would be definitely dealt with to-night. What

is the position? To-morrow the debate on the Budget will be resumed, and subsequently the Estimates will be considered. Then the motion for the appointment of a committee of experts will be dealt with. The Minister for Home Affairs will possibly require a week or two to consider what selection should be made, the House will be prorogued, and the appointment of the committee will be entirely in the Minister's hands.

Sir WILLIAM LYNE.—Does the honorable and learned member suppose that the House is going to appoint the committee?

Mr. FULLER.—No; but I think we should have an opportunity of saying whether or not we approve of the personnel of the committee. I should not like to say that the matter has been deliberately postponed by the Minister for Home Affairs, but it appears to me that some pressure is being brought to bear upon him in order to delay the settlement of the question as long as possible. We see day after day in the daily press articles relating to the federal capital. Proposals are made that we should meet alternately in Melbourne and Sydney, and it is asserted that there is no necessity for the expenditure of large sums of money in establishing the federal capital in the bush of New South Wales. A distinct compact was entered into with New South Wales that upon the establishment of federation the capital would be fixed in that State without delay, and honorable members from New South Wales are entitled to see that that promise is carried out as soon as possible. It appears to me that the representatives of New South Wales in the Government are making a distinct breach of faith with the people of that State so far as this business is concerned.

Mr. SYDNEY SMITH (Macquarie).—I regret that the Acting Prime Minister should have interjected a few minutes ago that the responsibility for the delay rests with certain honorable members on this side of the House who have been stone-walling. There is no justification for that charge. Honorable members know that the greater part of the evening has been devoted to the consideration of the amendments in the Electoral Bill, and not even the Minister for Home Affairs can complain that time has been unduly wasted in dealing with that measure.

Sir WILLIAM LYNE.—I do not complain.

Mr. SYDNEY SMITH.—But the Acting Prime Minister has charged this side of the House with the responsibility for the delay in bringing on the motion. I say there is no justification for the charge of "stone-walling."

Mr. DEAKIN.—There is every justification for it.

Mr. SYDNEY SMITH.—If any stone-walling had been indulged in surely I would have known of it. I know of no such tactics. Honorable members have a right to debate any question which comes up, and I have yet to learn that because they think fit to discuss a question with a view of eliciting certain information, they are to be accused of stone-walling, and of blocking the progress of business. The question of the selection of the federal capital site is a most important matter. The understanding was, that the motion relating to it should be dealt with as soon as possible, and I am much dissatisfied with the delay that has taken place. Some months ago the Minister for Home Affairs arranged for honorable members to visit the various sites.

Mr. SAWERS.—Why deal at this stage with the whole question?

Mr. SYDNEY SMITH.—It is a very important matter.

Sir WILLIAM LYNE.—The honorable member wishes to make a little political capital out of it in Sydney.

Mr. SYDNEY SMITH.—The honorable member cannot say that I have endeavoured to harass the Government in this matter. I have adopted a very moderate stand in regard to it. I have visited the various sites, and I regret that, after the inspection by honorable members, arrangements were not made for the experts to get to work as early as possible. I should not have risen but for the statement made by the Acting Prime Minister that honorable members of the Opposition are responsible for the failure of the Government to proceed with the motion to-night. I defy any one to say that any stone-walling has taken place.

Mr. SAWERS.—Did not the honorable member hear the remarks made by the honorable and learned member for Werriwa?

Mr. SYDNEY SMITH.—The honorable and learned member has a perfect right to address the House.

Mr. SAWERS.—He simply took up the time of the House.

SYDNEY SMITH.—If the honorable member had transgressed of debate he would not have been to discuss the matter at any great I regret that the Minister for Affairs cannot see fit to proceed to the motion relating to the appointment of a committee of experts. to-day from New South Wales I understood that it was intended to deal with the matter this evening, I am certain that belief until half-an-hour. I hope that the Government will fix a date upon which the matter will be brought forward, and that notice will be given. I fear there will be further delay because to-morrow we enter upon the debate.

WILLIAM LYNE.—What is the use of talking about all these matters?

SYDNEY SMITH.—I wish to refer to the fact because it is my desire that the matter be entered into between the people of New South Wales and the rest of Australia and carried out.

CONROY.—The honorable member for New South Wales has blocked the settlement of the question.

SAWERS.—The motion would have been brought on to-night but for the honorable member for Werriwa.

SYDNEY SMITH.—I do not want to go into the merits of the question, but in view of the fact that we have been in session for nearly eighteen months and that no progress has been made, notwithstanding that the people of New South Wales have been promised time after time that the question will be dealt with as expeditiously as possible, we have very strong reasons for insisting, and for asking the Government to take some steps to place the matter upon a proper footing. The question of the appointment of a committee of experts should be dealt with during the next few days. I know when the Minister proposes to deal with it.

WILLIAM LYNE.—The honorable member is stopping us from making a statement on the subject.

SYDNEY SMITH.—It is a great pity that we do not do a little more stop-

WILLIAM LYNE.—The honorable member is stopping all he could in that direction.

SYDNEY SMITH.—I have not seen the evidence that the question has been seriously submitted to us? If

the Minister for Home Affairs will tell me that he is prepared to fix a date upon which the motion will be set down for discussion I will resume my seat.

Sir WILLIAM LYNE.—The honorable member is making a mountain out of a molehill. If he resumes his seat I will tell him when we propose to proceed with the motion.

Mr. SYDNEY SMITH.—I shall be pleased to allow the honorable member to make that statement.

Mr. CONROY (Werriwa).—The section in the Constitution providing that the capital shall be in New South Wales was drawn up more than three years ago; the Federal Ministry have been in office for 21 months, and although they have been aware from the first of the existence of that section, they have done nothing to give effect to it. The matter has been delayed by the action of the pretended representatives of New South Wales who help the Government from time to time.

Mr. SAWERS.—Who are they?

Mr. CONROY.—The honorable member is one. He sits behind them all through, and although he talks about being in favour of a certain course, he supports the Government when we try to displace them.

Mr. SAWERS.—The honorable member is "talking down his neck."

Mr. CONROY.—If I could talk into the honorable member's ears with any hope of reaching his brains it would be a good thing. I can only say that the honorable member and others like him who join in keeping the present Government in power have delayed the settlement of this question. All the protectionist members from New South Wales seem to have an animus against that State because it has belied their predictions, and appear to consider that the best thing they can do for a free-trade State is to try and deprive it of as much as possible. What have we even in the motion to be submitted? Does it propose that the sites already investigated by the commissioner appointed by the Government of New South Wales shall be dealt with by a board of experts? No. At least one important site has been omitted. Lake George is included in the list proposed to be dealt with, but I understood that the sites immediately connected with it, such as Goulburn and Yass, would have been included. Unless there is an alteration in the Constitution, the federal capital must be on the main line, between the two great

cities of Australia. It must be in the readiest place of communication, wherever that may be. What we want to know is when shall we have an opportunity of discussing the motion. If the Minister is prepared to make a statement on that point I will sit down.

Sir WILLIAM LYNE (Hume—Minister for Home Affairs).—I regret that so much heat should be imported into a question of this kind. I did not accuse the Opposition of stone-walling the Electoral Bill; but I must say there was a good deal of talk on that measure. What the Acting Prime Minister had in his mind, I think, was not the Electoral Bill, but the business which immediately followed it.

Mr. DEAKIN.—Hear, hear!

Sir WILLIAM LYNE.—I have had by me all the evening the papers connected with the motion for the appointment of a committee of experts.

Mr. DEAKIN.—And honorable members saw the Minister bring the papers in, and they talked the matter out.

Mr. SYDNEY SMITH.—As a point of order, has the Acting Prime Minister any right to make a statement to the effect that members of the Opposition saw the Minister for Home Affairs bring the papers in, and that they then talked the matter out. None of us know what papers were brought into the Chamber.

Mr. SPEAKER.—There is no point of order in what the honorable member for Macquarie has raised, unless he feels that the words of the Acting Prime Minister reflect upon him personally.

Mr. SYDNEY SMITH.—I regard the words of the Acting Prime Minister as a personal reflection.

Mr. SPEAKER.—If that is the feeling of the honorable member, I must ask the Acting Prime Minister to withdraw the words.

Mr. DEAKIN.—I withdraw the words as applying to the honorable member, but my statement is absolutely true.

Mr. SYDNEY SMITH.—Then I ask to whom the Acting Prime Minister did refer?

Mr. SPEAKER.—The Acting Prime Minister says that his statements had no reference to the honorable member for Macquarie, and the withdrawal must be accepted.

Sir WILLIAM LYNE.—When interrupted I was stating that I brought the papers with me this evening. I do not

know whether any honorable member saw that I had the papers, but it was agreed between the Acting Prime Minister and myself, when it was thought that the Electoral Bill would be dealt with by 9 o'clock, that I should proceed with the motion to-night. I did take exception to going on with the matter at so late an hour, because I felt that little was to be gained. We all know that the debate must take up one day or, at any rate, nearly a day, and it would have been a waste of time to commence to-night after nine o'clock. However, in deference to the wishes of the Acting Prime Minister, I was prepared to go on with my speech, which in any case will not be a long one. When I first initiated the idea of members of the Senate and of the House of Representatives visiting the proposed federal sites, I was met with a storm of opposition from that section of the press which represents the gentlemen who now sit opposite the Government. I am now speaking of the Sydney press, which did everything possible by means of ridicule to break down my proposal. That opposition has continued ever since, but as my colleagues know, I am determined to break down the antagonism of those who wish to get the matter into their own hands or delay it indefinitely.

Mr. WILKS.—What about the Melbourne press?

Sir WILLIAM LYNE.—I say nothing about the Melbourne press; I am now speaking of those who complain that there has been undue delay.

Mr. JOSEPH COOK.—Does the Minister accuse the Opposition of causing delay?

Sir WILLIAM LYNE.—Yes. I refuse to be bullied by honorable members opposite, or to allow misstatements about my actions to be made in the press of New South Wales. I have been, as others have not been, true to New South Wales, but I do not talk loudly of what I wish to do. I did not wish to speak with so much heat, but I feel that I have been unfairly dealt with by honorable members opposite. I intend to consult the Acting Prime Minister, and I am sure that he and my other honorable colleagues will agree to deal with this motion immediately after the general debate on the Estimates, and before we enter into the lengthy detailed discussion of the items. I hope honorable members are satisfied that I am doing my best to carry this matter through. In reply to the question raised

able member for North Sydney, say that I gave my replies as much detail as was possible. The honorable member knows perfectly that in dealing with the river waters of Australia, the Commonwealth has powers only so far as is concerned. If the Government do as the honorable member would caution either the State of New South Wales or interfere with the waters of the river, I am afraid I could get a nice snub; and I put myself in that position. That is why I referred in the language to the very delicate questions; I desired not to say one could be construed as dictating. I know the question has to do with the filling of the Waranga waters diverted from the Murray, and if the works are undertaken by the State, the State must take the responsibility. It must be remembered, however, that to the extent of £200,000 a bill is proposed in New South Wales if a caution were given to the Victorian Government would be called on to take caution to New South Wales. In such circumstances, I refuse to put myself in the position of being told by a Government to mind my own business.

MR. POYNTON.—What about other States so much interested?

SIR WILLIAM LYNE.—I am only referring to the two States in which it is proposed to expend a large sum of money in the waters of the Murray or its tributaries.

MR. POYNTON.—And which works may be done by the States of water.

SIR WILLIAM LYNE.—That is where the difficulty arises for the replies I gave. It can be shown that the work done interferes with the navigation of the river. If the Commonwealth will have to do without asking either of the States until one or other of the States, or all the States, ask the Commonwealth with conservation, irrigation, and so on, as well as with navigation, the power under the Constitution.

MR. POYNTON.—But there is need for inquiry to ascertain whether these works will interfere with navigation.

SIR WILLIAM LYNE.—Inquiry cannot be made until after the work is

done. A Royal commission is inquiring into the matter now, and one of the main portions of its report will relate to the storing of water at various reaches from Albury upwards. If that be done, the water taken by the States of Victoria and New South Wales will not affect navigation in the slightest degree, but if the river is tapped I have no doubt there will be interference. We have to take the whole question into consideration, and it will be quite time to deal with the matter when we have the report of the commission.

MR. POYNTON.—Does the Minister not think it would be fair to ask the States to hold their hand while the commission is sitting?

SIR WILLIAM LYNE.—This is a delicate matter. We know how jealous the States are of interference by the Federal Government or by the Federal Parliament, and for that reason I do not desire to make any statement as to what I think the States should do.

MR. POYNTON.—Does the Minister not think that the Federal Parliament ought to express an opinion on the matter?

SIR WILLIAM LYNE.—I question very much whether the Federal Parliament ought to express an opinion, because it would not be a very pleasant thing for us to be told to mind our own business. I have thought this question out, and I, myself, wrote the answers which I gave to the honorable member for North Sydney. Even if the works are carried out, and the effect is as the honorable member for North Sydney, or as the representatives of South Australia may fear, then the Federal Parliament can step in and prevent this water from being taken, until such time as reservoirs are provided to keep the stream up to navigation level. This question would not have been so difficult had this House agreed to pass an Inter-State Commission Bill this session. I met objections by altering that Bill, and I feel that the opposition to it was unreasonable. Had the measure been passed, we should have had a body to deal with the very important questions which are now raised, whereas in the absence of such legislation we are helpless. We should have great trouble under the Constitution, without an Inter-State Commission Act, in providing machinery to deal with the question as the honorable member for North Sydney wishes.

I must apologize for taking up so much time at this hour, but this is a very important question, and the position of the honorable member for North Sydney demands that I should pay considerable attention to what he says. I have done my best, and I can assure honorable members that the Government, my department, and myself will be very vigilant. This is a question which I have been closely associated with from 1880, once as a member of a previous Royal commission, and I take the deepest interest in it. I cannot place myself in any invidious or improper position, and can only assure honorable members that everything possible will be done to prevent any serious trouble.

Question.—That the House do now adjourn.—put. The House divided.

Ayes ...	...	14
Noes ...	...	6
Majority ..	..	8

AYES.

Bonython, Sir J. L.	Poynton, A.
Chanter, J. M.	Solomon, E.
Deakin, A.	Tudor, F.
Glynn, P. McM.	Watson, J. C.
Kingston, C. C.	
Lyne, Sir W. J.	Tellers.
Mahon, H.	Clarke, F.
Page, J.	Ewing, T. T.

NOES.

Edwards, G. B.	Tellers.
Fuller, G. W.	Cook, J.
McDonald, C.	Wilks, W. H.
Smith, S.	

Mr. SPEAKER.—As it appears from the report of the Tellers that a quorum of members of the House is not present, the House stands adjourned until to-morrow at half-past two o'clock p.m.

House adjourned at 10.50 p.m.

SENATE.

Thursday, 25 September, 1902.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

STEAM-SHIP COMMUNICATION
WITH TASMANIA.

Report of Select Committee presented.

PAPER.

Senator DRAKE laid upon the table the following paper:—

Drawback Regulations under Excise Act.

CUSTOMS PROSECUTIONS.

Senator PULSFORD (New South Wales).—With the view of bringing under consideration a matter of urgent public importance, I move—

That the Senate at its rising adjourn for one day week.

The newspapers of to-day report that Sydney yesterday ten firms were held to the police court and fined for falsification of customs entries. For instance the magistrate imposed a maximum fine of £5. The frequency of such cases; the fact that practically all trading firms throughout Australia are another being brought into the court charged in this way, certainly warrants in drawing the attention of the Senate to what is going on. I notice the list includes such well-known firms as Australia as Paterson, Laing, and Co. Ltd., Farmer and Co. Ltd., A. McArthur Ltd., and others. These large firms cannot possibly, in the nature of things, arrange to pass false entries, because they have to trust their clerks to pass them in separate departments. When the Customs Bill was under consideration here attention was drawn to the possibility of the authorities acting in an arbitrary way. Quoting from page 11 of *Hansard*—

The PRESIDENT.—The honorable senator must not quote from the report of the debate of the present session.

Senator PULSFORD.—It relates to the same matter.

The PRESIDENT.—The standing order is precise.

Senator PULSFORD.—The matter has been raised before, and I have been asked to make such a quotation.

The PRESIDENT.—The debate on various stages of a Bill are considered one debate. If the honorable senator refers to the standing order, he will find it is out of order even to allude to the debate of the session. It says—

No member shall allude to any debate of the same session upon a question or Bill then under discussion.

This cannot be said to be a question or Bill under discussion.

Senator PULSFORD.—The question is under discussion, and the sooner the standing orders, if they are such as they seem to be, are buried, the better it will be for us all.

The PRESIDENT.—They are framed by the Senate, not by me.

Senator PULSFORD.—If Senator Playford will take the trouble to refer to the *Hanauard* report he will find that when many honorable senators were pleading hard for the clauses to be altered, so that it could not be in the power of the Customs authorities to drag firms before police magistrates for a mere clerical error, he interjected that such a thing could not occur as the collectors of customs would settle such matters out of court. In view of the fact that these technical offences — for they are mere clerical errors — are not being settled out of court, and that merchants in each State are having informations laid against them by detectives, and being prosecuted in a way never previously known in the history of Australia, I think the time has arrived when it is our bounden duty to ask the Government to interfere. I cannot conceive that Ministers are quite callous to what is going on. They must see that something is wrong, and the very least we can ask them to do is to instruct the Customs authorities that where there is no suspicion of wilful fraud, such prosecutions shall not in future be instituted. I trust that some assurance on this point will be given by Senator O'Connor.

Senator O'CONNOR (New South Wales — Vice-President of the Executive Council).—I have stated over and over again, in response to questions by the honorable senator, what the attitude of the Government is.

Senator PULSFORD.—Yes, but it is time that attitude was altered.

Senator O'CONNOR.—I have nothing to say in addition to that. The honorable senator was one of those who strenuously objected to any offences being created under the Customs Bill except where fraud was involved. It was pointed out to him that, in the carrying out of the *ad valorem* system, it was necessary to trust to the importers making correct statements as to values, particulars, quantities, and other matters of that kind which were necessary for the information of the Customs authorities. Not only did the two Houses deliberately

pass a law which created the offence of making an incorrect statement, but they went further, and pointed out that there was a distinction in punishment between a case where there was an incorrect statement and a case where there was a fraudulent statement. The law having been passed for the express purpose of putting upon the merchant or the importer the duty of being exceedingly careful in everything he stated to the Customs authorities, it must be administered. The Government cannot pick and choose; they cannot abstain from insisting upon the law being properly observed in the case of a well-known firm any more than in the case of a firm that is not well known. It must be administered impartially, and I think that Senator Pulsford hardly realizes what he is asking when he requests that, notwithstanding the will of Parliament, the Minister for Trade and Customs shall refrain from carrying out the law in cases where it has been flagrantly broken. No one supposes for a moment that the charge against the different firms which have been mentioned involves fraud or discreditable or dishonorable conduct in any way.

Senator Sir FREDERICK SARGOOD. — It will be brought up years afterwards against the firms.

Senator O'CONNOR. — Nobody can help that. If it is brought up in that way, it will be brought up entirely without any justification. All we have to do now is to see that the law is carried out, and, as I said before, there is no one whose opinion is worth having, or who knows anything about the subject, who will think of imputing any fraud or dishonorable or disgraceful conduct to any of these persons who are simply charged with having made a mistake.

Senator PULSFORD.—They are not charged with having made mistakes, but with having passed false entries.

Senator O'CONNOR.—The honorable senator stated yesterday that in one of these cases the prosecution was opened by a statement on the part of the Crown that there was no charge of fraud.

Senator PULSFORD.—That was brought out by a remark made by the magistrate.

Senator O'CONNOR.—What does it matter how it was brought out? It need not have been stated.

Senator PULSFORD.—The indignation of the magistrate brought it out.

Senator O'CONNOR.—The mere fact of the form of the charge is enough to indicate to anybody what the substance of it is. It is not a charge of fraud, but a charge of either making an untrue statement or falsification. The honorable senator has no doubt thought it his duty to bring this matter before the Senate.

Senator PULSFORD.—There will be no peace until it is settled.

Senator O'CONNOR.—I cannot help that. So long as the law is broken measures must be taken for bringing the offenders before the courts, and no distinction of persons can be made. That is all I have to say about it.

Senator Lt.-Col. GOULD (New South Wales).—I had no intention of speaking on this question; but after the speech of Senator O'Connor, I consider that I should be wanting in my duty as a representative of New South Wales if I did not take some notice of it. We are all aware that strictly and technically the firms who have been prosecuted have been guilty of an offence, but it is an artificially-created offence over which they have no control. It has been pointed out that the Customs authorities did not impute fraud or disgraceful or dishonorable conduct to these firms. But they charged them with falsification, and hounded them to the police court in order to get them fined for doing, so far as they themselves were concerned, no wilful wrong. A Customs clerk makes a mistake either in an addition or in an entry—honestly makes the mistake—and admits it when it is pointed out to him. In fact there have been cases in which the principal of a firm has found out such a mistake, and the Customs officers have not noticed it. The principal has informed the authorities, and the notification has been followed by a prosecution. That is an indignity which ought not to be placed upon people. When the Customs Bill was under discussion here it was pointed out that these things might happen, and the reply was that it was necessary to place this power in the hands of the Minister, and trust him to use it with fairness and discretion. If the Minister for Trade and Customs had used the power committed to him with fairness and discretion no one would have said a word against the administration of the department. But we find that not only in both Houses of Parliament, but also in nearly

every newspaper in every portion of the States where the commercial classes reside, complaints are made day after day with regard to the way in which the Customs department is being administered. Is this because we are living under a protectionist Tariff? If so, why were not complaints made in Victoria when there was a protectionist Tariff in existence here, and the same powers were intrusted to the Minister for Trade and Customs? But then the department was administered with prudence and consideration; and if that had been the case under the Commonwealth Act, as administered by the present head of the department, there would have been none of these loud outcries and complaints. The reason why this power was placed in the hands of the Minister was that without it, frauds would be committed. But Parliament relied upon a wide discretion in its administration. There is no desire that there should be any favoritism. There should be no distinctions made between people. The wealthy importer should be treated in exactly the same manner as the poor importer; but where a mistake has been honestly made, and it is known to the Customs authorities that it has not been made out of a desire to defraud the Customs, the Minister should say, in the exercise of his discretion—"I will not prosecute in this case." The Minister is not open to charges of improper conduct when he behaves like that. He is not disgraced in the eyes of the community when he says—"This is only technically a breach of the law, and I will not prosecute." In a case where an error has been made through pure inadvertence, the importer should not be brought before a police court, where, if a conviction is obtained, it will be entered upon the records of the court that, for making a false entry, he has been fined £5. In years to come this charge may be brought up against the importer. Possibly he may find himself compelled to give evidence in a case, and the prosecuting attorney in examining him may ask the question—"Are you so-and-so who was prosecuted for sending in a false return to the Customs department?" How is the man to get out of a charge of that kind? He may say "Yes," and attempt to make an explanation; but what is the worth of that when people have forgotten the circumstances? I say that it is cruel, unjust, and unfair to administer the Customs department in this manner. No Minister

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to a pride in administering his department in such a way. I hope that the Minister for Trade and Customs will in the future exercise a wiser discretion in carrying out the law. We know that the law is administered to be differently administered to one man than to another, but the Act was framed it was expected the authorities would exercise their discretion and consideration, with a full knowledge of the whole circumstances of each case. If it is found that no wilful offence had been committed, it was never intended that prosecutions should take place. It is a great mistake to institute prosecutions for artful offences, and to have fines inflicted in cases when there is no allegation of

CHARLESTON (South Australia).—The difficulties that importers have met with in through the administration of the tariff which Parliament has just passed have been largely due to the decision of the Minister for Trade and Customs. In many instances on the ordinary reading of the Act it has caused a great deal of confusion. Importers say that their agents are anxious to know under what circumstances certain classes of goods should be taxed, but they have been unable to get information from the Customs Department. It is clearly stated in the Act that in the case of instance, corduroys, drills, galateas, and so forth, shall be taxed at

Any one reading that item in the Tariff Act would make their entry of goods as corduroys under the 5 per

But, on so doing, the importer is immediately charged with making a false entry because it is contended by the Customs that the goods should be classed under the 15 per cent. list. That confusion arises solely from a ruling given by the Minister for Trade and Customs that, notwithstanding the clear statement in the Act, goods should be taxed at 15 per cent., and not at 5 per cent.

PLAYFORD.—The Minister has prosecuted any one in a case of that kind?

CHARLESTON.—He has no case at Port Adelaide now which is under consideration for prosecution.

Sir FREDERICK SARGOOD.—A case of similar kind is under consideration in Victoria.

Senator CHARLESTON.—The information sent to me states that this difficulty has arisen.

Senator PLAYFORD.—If a man put that down on his paper, I do not suppose there would be any prosecution.

Senator CHARLESTON.—I can assure the honorable senator that there is a case now awaiting the decision of the department as to whether it should be brought into court or not. In order that my honorable friend, Senator Playford, may be able to appreciate the point, I will read a copy of a letter which has appeared in the *Advertiser* and the *Register* in Adelaide. It is as follows:—

Allow me to draw the attention of the public to further attempts to set aside the Tariff, and worry the importer by extraordinary and contradictory "decisions":—

Tape free on Tariff.—Red tape, 20 per cent., as cordage.

Binding free on Tariff.—Velveteen binding, 15 per cent.

Webbing free on Tariff.—Webbing for book-binding, 5 per cent.

Blue printing paper free on Tariff.—As it may be used for other purposes than for printing, 15 per cent.

Lamps and lampware, 15 per cent. on Tariff.—

Lamps come into this market invoiced as complete articles at per dozen—say, with chimney, globe, and silk shade. It is decided that duty must be paid on the body of the lamp at 15 per cent., globe and chimney at 20 per cent., shades at 25 per cent. To enable this to be done these goods must all be "sighted," and the value of the separate parts arrived at by a more or less rule-of-thumb method, putting the importer to a maximum of expense and probable breakage from excessive handling. The department professes to set great store on the correctness of declaration as to values, which reads—"And I further declare that the said goods are properly described in this entry, and the particulars herein given are true in every respect." In a case of this kind, who can say that the values are correct? As a matter of fact, the Minister, by making above decisions, compels the importer to make false declarations.

It is very wrong of the Customs department to be continually annoying people and detaining their goods at the bonded stores. In another case, a friend of mine imported certain articles connected with telephones, and, on account of a purely technical matter, these goods were detained for over two months, causing very great loss to the importer. Seeing that goods are constantly detained to await the decision of the Minister for Trade and Customs, I think that the right honorable gentleman

ought not to put a stigma upon importers on account of errors when his own decisions are sometimes confusing—so confusing, indeed, that it has sometimes been found utterly impossible to work under them, and the department has had to alter them. I admit that the Minister has had a great deal to do. He has been engaged in Parliament every day when the House of Representatives has been sitting, and has had numbers of other things to attend to on other days. The consequence is that the arrears of work in his office are very great. It is, indeed, impossible for one man to do the whole of the work which the Minister has set himself to do by imposing upon himself the task of attending to all sorts of details instead of allowing his officers to decide certain things for him. I earnestly hope that since Senator Pulsford has called attention to this matter, the Minister for Trade and Customs will endeavour at the earliest possible moment to modify some of his restrictive decisions, and not prosecute merchants to the extent that he has done in the past.

Senator MACFARLANE (Tasmania).—Many of the Customs prosecutions which have taken place have been really in respect of very trivial errors. It seems to me that the popularity of the Government and the peace of the community would be assured much more certainly by a more reasonable administration of the Customs department. The Minister of Customs is responsible for a great deal of the friction that has arisen. He is credited with saying—in fact, I myself heard him say—that he must have perfect accuracy. Now, it is impossible for any one to secure the unattainable. We cannot have perfect accuracy. We are all fallible. If reasonable care were exercised, if none but serious offences were brought to book in the courts, and mere trivial errors were dealt with in some other manner, the Act would work more smoothly in the interests of the whole community.

Senator DOBSON (Tasmania).—It appears to me that the only way out of the difficulty that has arisen, which will please the importers—and it is a way which, I think, the Minister might very fairly adopt—has hardly been touched upon yet. I tried to do something with regard to directing the attention of my honorable and learned friend, the Vice-President of the Executive Council, to the matter when I asked him certain questions a few days ago. But I think

that the scope of my questions was somewhat misunderstood. It will be remembered that under the 265th section of the Customs Act any disputes which occur under the provisions of the measure may, if the importer consents in writing, be determined by the Minister. It is because the Minister for Trade and Customs has departed from the universal practice, and has refused to settle any of these disputes with regard to false or incorrect entries, that the trouble has arisen. I regret that the Minister has not exercised the jurisdiction that Parliament conferred upon him.

Senator O'CONNOR.—But the disputes referred to in the section are disputes as to duties.

Senator DOBSON.—What I desire to point out is that the Vice-President of the Executive Council might bring this matter before the Cabinet with the object of trying to obtain some reasonable settlement in order to protect both the rich and well-known importer and the poor importer from injustice, and to save the poor and unknown man, as well as the large and well-known merchant, from being prosecuted for having made what are called false entries. I wish we had the words in the section “false and incorrect entries,” so that we might draw a distinction between the two; because an incorrect entry is a totally different thing from a false entry. I regret that the Minister has departed from the practice which every other Minister for Trade and Customs has pursued, in refusing to undertake the jurisdiction cast upon him by section 265. In every other case where he honestly believes, and his officers believe, that there has been no intention to defraud the revenue, he should adjudicate, and, if necessary, inflict a fine. The Act was intended to be administered in that manner in regard to cases where an importer's clerk had made a clerical error, for which his principal was legally responsible. It is not unreasonable that the Act should be so administered. But it is because Mr. Kingston has refused to follow this universal practice that the importers to-day are up in arms; and I do not wonder at it. I have been informed that the Minister has absolutely declined to try any case, no matter how unimportant it is, and that his view is—and he is entitled to his view, although I think it is a

—that if a mistake has been made, though it may be a most palpable error, it is his duty not to matter himself and inflict a fine, but to take the case to court and charge the importer with making a false entry. I am Vice-President of the Executive Council, and there is no good reason why the Minister should depart from the usual practice. I do not know why he should not carry out the provisions of section 265 and the following provisions which enable the Minister to sit in court to summon witnesses, and to go to any case that arises? I would not go so far as to say that if a number of witnesses are to be summoned, and the Minister is to determine whether a fraud has been committed, he should decide the case. But if he thinks there has been an attempt to defraud the revenue, let the case go to court. But if the Minister and his officers believe that there has been no attempt to defraud the revenue, but that a clerical error has been committed, I think the Minister is wrong in bringing an impleading before the court. I am not suggesting that a distinction should be made between one error and another, but there should be a distinction made between the case where the Minister is believed to have made a mistake with a view of escaping from his duty and the importer who is charged with the error that has been made by his clerk, for whose error he is responsible. I hope something will be done in the direction I have suggested. I believe that the Minister is not carrying out the duty, and is not carrying out the duty of the Legislature as expressed in section 265 of the Act, in refusing to take upon himself jurisdiction in cases of this kind. I am charged with this duty, and I begin every case where an importer is charged, that he agrees to submit the case to the Minister, the Minister ought to decide the case, unless he believes that it is absolute fraud. If that be so, or if he believes there is fraud, the case should be tried by the court. I should like to put the question before I sit down. I think that if a clerk or importer goes to the Custom-house and says—"I have an invoice; under what heading am I to put my entry?"—the Minister and the officers should give any information they can.

I should like to know whether the Minister believes that the Minister and his officers are disregarding

their duty. If a man goes to the department—and we all know that it takes a skilled expert to properly interpret many of the items in the Tariff—and says—"How am I to pass my entry so as to pay the duty which the law requires me to pay?" and the Minister and his officers say—"No, you can make your entry in any way you like, but if you make a false entry you will be prosecuted;" that is a most unreasonable attitude to adopt. I can hardly believe that the officers of the Customs refuse to give any information whatever in cases of that kind.

Senator O'CONNOR.—I cannot believe it either.

Senator DOBSON.—At any rate I have seen it stated somewhere, and if the Vice-President of the Executive Council can assure the Senate that it is not so, I shall be very glad to have his assurance.

Senator BEST (Victoria).—I feel very much inclined to indorse the views which have been put forward by my honorable and learned friend, Senator Dobson, in impressing upon the Vice-President of the Executive Council the necessity of bringing the matter raised by Senator Pulsford before the Cabinet of the Commonwealth. I am free to admit that the Minister for Trade and Customs has indeed a most difficult duty to undertake; and I am also prepared to believe that his greatest anxiety is to do justice to the honest importer, and to punish the dishonest. But a very considerable amount of discrimination is necessary in order to achieve that object. During my five and a half years' experience of office as Minister for Trade and Customs in Victoria, I had, I might safely say, hundreds of these cases to deal with. I adopted a practice, which I think, gave reasonable satisfaction in this State. Errors and mistakes are inevitable in the passing of entries and in connexion with the working of Custom business, and we have to be very careful that when these mistakes occur a determination shall be arrived at as to whether they are intentional or otherwise. I conceive it to be the duty of the Minister, under these circumstances, to take the responsibility of determining, in his own mind, whether there was an intention to defraud the revenue or not. It was frequently my duty to determine that there had been an intention to defraud. If the case was serious or important, and I had the necessary evidence in proof of fraud

or wrong-doing, I sent it to the court. But if, on the other hand, I found that there had been merely a clerical error or mistake unintentionally made, I, by no means, let off the offending individual, but fined him, or the firm, for carelessness. Carelessness, of course, cannot be overlooked.

Senator O'CONNOR.—But under the Victorian Act there was no publication, I think.

Senator BEST. — Every case I dealt with was published next day in the newspapers, and the fine was recorded against the firm. If I was quite satisfied that the mistake was unintentional, and a piece of pure carelessness on the part of a clerk, I never for one moment thought it to be my duty to send the offender to the police court. I do not desire to speak with any degree of harshness concerning the Minister, but, if what has been stated is correct, in my judgment, he is making a great mistake by the action he is taking, and is causing a very bitter feeling—a totally unnecessary feeling—to arise. If that can be avoided by the exercise of a reasonable discretion it should be done. There is no reason why such feelings should arise at all. It seems to me that there is a considerable amount of friction at the Custom-house. The commercial community feel very sore and bitter, and who of us are not in sympathy with men whose integrity and probity have never been doubted, and who have been taken to the police court because a clerk has been guilty of some inaccurate statement in connexion with a Customs entry? I think that the Vice-President of the Executive Council, in view of the expressions of opinion which have been made to-day in the Senate, is called upon to bring this matter under the notice of the Minister for Trade and Customs; and I hope the Minister himself will see fit to exercise a discrimination which will put an end to the complaints referred to. There is a section of the Act specially enabling the Minister to deal with these matters, but at the same time, we cannot be blind to the fact that it is totally impossible for the Minister to deal with the whole of the cases that occur throughout Australia. He is for the present located in Melbourne, but he may for a time be located in any of the other State capitals. The cases brought under the notice of honorable senators by Senator Pulsford are typical of

dozens of other cases in which I am perfectly sure the merchants would be perfectly satisfied to have all the papers transmitted to Melbourne, and to allow the Minister to deal with them there. It would not be necessary for all the parties to appear before him, and the necessary machinery for conducting the business in this way is provided in the Customs Act.

Senator Sir FREDERICK SARGOOD. — Cannot the Minister under the Act delegate his power?

Senator BEST.—I speak subject to correction, but I do not think he can delegate that power.

Senator Sir JOSIAH SYMON. — Why can he not delegate the power of investigation and report?

Senator BEST.—It is true that he could delegate the power of investigation and report, but there is a section in the Act empowering the Minister to deal judicially with disputes that may arise.

Senator Sir JOSIAH SYMON.—Could he not deal with these matters quite irrespective of that section, as the honorable and learned senator used to do?

Senator BEST.—I dare say he could. There is a section in the Act which provides that by consent these matters may be submitted to the Minister and be dealt with by him.

Senator Sir JOSIAH SYMON.—He has to say whether he will prosecute or not.

Senator BEST.—No doubt. There might be this little difficulty about it, that although the merchants might give the necessary written consent to the Minister to deal with the matter, there might be no means of enforcing a fine. I point out, however, that that could be readily overcome, because the Minister could say—“Before I deal with this case I must have a deposit of a certain amount.” In practice that is what was done by me. There need be no difficulty about it, and punishment, where it was found to be necessary, could be inflicted. Clause 265 of the Customs Act, provides—

If any dispute shall arise between any officer and any person with reference to any contravention of this Act, the Minister may, in manner prescribed, with the written consent of such person, inquire into and determine the dispute, and shall have power by order which shall forthwith be published in the *Gazette* to impose, enforce, mitigate, or remit any penalty or forfeiture which he shall determine shall have been incurred.

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seen that the provision is not all. It covers disputes in connection with any provision of the Act, and disputes as to duties as was stated. The physical difficulty which may be that the Minister cannot personally attend these matters because he cannot be present before him, I say that a large percentage of cases the mere sub-written documents, together with the officers of the department, would enable the Minister to come to a determination. A merchant would, of course, obtain the necessary written consent to enable the Minister to do so. It would be an infinitely more satisfactory method. The whole of my remarks are based upon the assumption that the Minister, after careful consideration of the facts and circumstances of the case, would determine that there is no fraud. If he does come to a determination, I say it is harsh and calculated to cause much bitterness upon the merchants in such cases being dragged before the court. The Minister has a difficult task to perform, and the revenue has to be protected. It is estimated in 95 per cent. of the cases made would favour the merchant rather than the revenue, but not forgetting that, where the mistakes are merely clerical errors it is unwise to take the extreme course of bringing them before a court. I therefore think the Minister might be urged by me to reconsider the matter, and, if he does so, he will give much satisfaction to those who have been made to suffer unnecessarily in connexion with the operation of the Act.

MILLEN (New South Wales). In connection with other senators from New South Wales, I have had placed in my hands particulars of a number of cases of merchants who have been harshly treated.

I do not propose to give details of these cases, because I have taken the opportunity of inviting the Minister to review them. It would be better to let him to discuss them until he has made his final decision. I may say, with respect to each of these cases, that in others of which I have knowledge it appears to me the Customs authorities are for two ways in which they have dealt with—one, a course which

would be free from irritation, and the other a course which may be regarded as much more severe. In all of these cases the Minister seems to have invariably adopted the course which gives most irritation, and to have passed over the method carefully provided for in the Act for dealing with these matters in a way which would reduce friction to the minimum. Why should the Minister act in that way? Surely the Federation has enough troubles incidental to the change from the old State régime to battle with without one of those who ought to be amongst its chief guardians seeking to multiply them? I join my appeal to that put forward by previous speakers that the Minister will see if it is not possible, by a little more leniency and consideration for those who are doing business with the Customs authorities, to avoid a great deal of the friction and trouble with which we are familiar to-day. I desire to mention one section of the Act—I think it is section 158—which provides that a dispute as to the value of goods may be referred to the arbitration of two experts—one appointed by the Government, and the other by the owner of the goods. Instead of taking action under that section, it is within my knowledge that the Minister has taken an entirely different course, involving an appeal to the law courts. I could understand that course being taken if, simultaneously, the Minister affirmed that fraud had been committed, but he does not do so. Why does the right honorable gentleman pass over the section to which I have referred, unless he is prepared to make an affirmation of fraud? Surely it would meet all the requirements of the revenue if, where he does not suggest fraud, he were to refer matters of this kind to experts to determine the value of the goods? I trust that the result of this debate will be to cause the Minister to adopt an attitude more in conformity with the harmonious working of the Act. I can assure the right honorable gentleman—and Senator O'Connor knows this as well as I do—that the feeling in Sydney is an extremely bitter one—so bitter, in fact, that the mention of the name of federation is sufficient to give rise to indignant remarks. In the interests of the Commonwealth more than of the particular individuals concerned, I add my appeal to that of the honorable senators who have already spoken.

Senator Lt.-Col. NEILD (New South Wales).—Under the circumstances surrounding this matter I do not think I should give a silent vote. It is not my intention to repeat the many excellent arguments which have been submitted, but I join in the request already made that the Vice-President of the Executive Council will bring this matter before his colleague, with a view to a more rational treatment of these cases. I am not going to make a plaintive appeal, because there is no occasion for anything of the kind. There is, I think, occasion for a more rational conduct of these cases. There is no use in giving the Minister power if it is to be ignored in every case, and if every unfortunate employer whose employé has made some technical error is to be treated as a criminal. I therefore join with the honorable senators who have already spoken, in urging that, in all good faith, and in the interests of public business, and the reputation of Australia generally—because even that is at stake in the matter, if it is going to be held forth to the world that half of the merchants doing business in the Commonwealth are criminal persons, or persons of criminal intent—this matter may be speedily brought before the Cabinet in order that there may be a more rational treatment of cases such as those under consideration.

Senator MCGREGOR (South Australia).—I, with the honorable senators who have already spoken, and I dare say also with those who have not spoken, desire that everything in connexion with the Customs Act and with the Tariff should go on smoothly. But I have travelled to and fro on the face of the earth just as much as any other honorable senator, and I have never come across this universal dissatisfaction which honorable senators have referred to to-day. No doubt there is an amount of dissatisfaction amongst those who have been put to the inconvenience of appearing before a court for the purpose of answering charges of negligence, fraud, or something else. No doubt they disagree with it. They would far rather nothing of the kind had happened. But I have gone amongst the public, who are not entirely composed of merchants or importers, but to a much greater extent of consumers, and the consumers with whom I have come into contact seem perfectly satisfied that the Customs department is doing all it possibly can to protect their interests. If, in

protecting the interests of the great majority of the people, importers are put to a little inconvenience, then the community is not going to suffer to such a great extent as has been suggested. In another branch of the Legislature the Minister for Trade and Customs himself has a seat. Why did not these merchants and importers, who have been put to such inconvenience, take the trouble to get honorable members of another place to bring the matter before Parliament and the Cabinet there? I have a vivid recollection that they did attempt to do it, and to my mind, as far as the reports in the newspapers are concerned, and as far as my own personal experience is concerned, because I was there and heard something of what was said, the Minister for Customs had entirely the best of the case. I verily believe that if he was here to answer some of the honorable senators, an entirely different complexion would be put on the whole question.

Senator PULSFORD.—I wish he was.

Senator MCGREGOR.—I wish he was, in the interest of the Customs department. But what are the facts in connexion with these cases? I think that the Vice-President of the Executive Council has pointed out that the Customs Act provides that these technical errors are not only errors that could not be dealt with by the Customs officers, and by the Minister for Customs himself, but they have actually become offences under the Act, and I say that the Minister for Customs and his officers are quite justified in allowing the court to decide whether they are technical errors or not.

Senator Sir WILLIAM ZEAL.—Is an error a criminal offence?

Senator MCGREGOR.—Under the Customs Act it is not a criminal offence, but it is illegal to make a false entry, and I say that a law court is the best place in which to decide whether what has been done is illegal or not.

Senator Sir WILLIAM ZEAL.—It is persecution.

Senator MCGREGOR.—We shall see about that. A great deal has been said about the inconvenience due to delay in the clearing of goods, but under the Customs Act, if a dispute arises between an importer and the Customs department, all the importer has to do is to meet the claims of the Customs department, and he can clear his goods at any time. He can do that under protest, get his goods, and do business with

on as he likes. Then, if he is in he will ultimately get his money ere is, therefore, really nothing statement as to the detention of two or three months.

Sir FREDERICK SARGOOD.—But e been detained in that way.

MCGREGOR.—That is simply he owner of the goods has not red to meet the demands of the epartment.

Sir FREDERICK SARGOOD.—I beg able senator's pardon. The cash ended and refused.

MCGREGOR.—If the importer demands of the Customs department clear his goods at any time.

Sir FREDERICK SARGOOD.—That ot.

MCGREGOR.—Now, with re- these false or incorrect entries, that a number of business men o certain provisions that would nted a youth under 18 from filling- these declarations. Honorable sena- remember that it was insisted a person should be 18 years of he should be permitted to do of this kind. These business uld have them doing it at five ge if they could get the oppor- nd if it would be cheaper. argood, Zeal, and Pulsford, and orable senators who are acting ically, and I believe honestly in ts of the importers, will not deny are dishonest importers. They ny that even in this Senate, and re honorable senators had the of sitting here, statements were ut scandals that had occurred in with the Victorian Customs t when Ministers had the power, sed the power, of dealing with in this Star-chamber manner.

BEST.—Will the honorable sena- nce a scintilla of evidence of use we have never heard of

MCGREGOR.—It has been said Senator Sargood himself referred told us of a case that occurred merchant who should have been 00, was fined only an insignificant the very same evening the for Customs dined with the de-

Senator BEST.—I beg the honorable sena- tor's pardon, I thought he was referring to the exercise of discretion by the Minister.

Senator MCGREGOR.—That was the exercise of discretion by the Minister.

Senator BEST.—That was 13 years ago.

Senator MCGREGOR.—Senator Sargood was referring to the exercise of discretion by the Minister, and that was what this discretion resulted in. Do honorable sena- tors desire that we should go back to any- thing of that kind?

Senator Sir WILLIAM ZEAL.—That is one case in a million.

Senator MCGREGOR.—Yes; but if we make provision under which these things can be done, the few black sheep who are to be found amongst the mercantile community, as well as amongst any other section of the community, will at once take advantage of it, and if they do not they will slander the honest merchant who does take advantage of such a provision. The present Minister for Customs says that he will not have any- thing of this kind, and that he desires that everything shall be done in open day. If there is a mistake made in doing business under the Customs Act or the Tariff, he says that we should let the court decide whether the error is a technical one or whether there is any intention of fraud. If the error is found to be only a technical one, there is a fine which is specified in the Customs Act for such cases, and if it is proved that there has been fraud or an in- tention to defraud, a greater penalty is pro- vided for such cases. There should be nothing done in connexion with the cus- toms department which has the slightest appearance of favoritism. So long as mat- ters are carried out in this way satisfaction will be given to the great majority of the people, though a few importers may be sub- jected to inconvenience for the purpose of carrying into effect legislation to which both Houses of the Federal Parliament have given their assent. I believe, that when merchants and their officers become accus- tomed to the working of the Customs Act and the Tariff has been in operation a suf- ficient time all this friction will pass away. We shall have honest entries and honest dealings, and the evil doers will suffer the penalty which, I am sure, every honorable senator wishes that they should.

Senator Sir JOSIAH SYMON (South Australia).—Certainly the excited speech to which we have just listened has opened

SENATOR PULSFORD TO THE MINISTER

up a much vaster field than that which was referred to by Senator Pulsford in his remarks. I do not know that it was altogether wise on the part of Senator McGregor to drag in a number of topics of what might be called prejudice, and give himself the opportunity of making a violent assault upon that part of the community whom he has referred to as importers or merchants, whose very name seems to be anathema to him, to be a sort of red rag which excites him in his bucolic vehemence to attack them on every possible occasion. In this tirade against merchants and importers, we have introduced an illustration that was given of prehistoric times in Victoria, and which, when it was first mentioned, seemed to me to hit at Senator Best, because the picture raised, to my mind, was that of my honorable and learned friend sitting down to dinner with the horrible delinquent after having relieved him of a penalty of some thousands of pounds. It would have been a very awkward position for him to occupy, and I am sure that even in Victoria it would not have been tolerated very long. But when Senator McGregor mentions that as a reason why the Minister for Trade and Customs should not exercise a little forbearance and discretion—prudence, I might say—in dealing with the different complaints, I cannot understand it, because if there is one man who, in my judgment, would rise superior to anything of the kind or any possible temptation to dine with a delinquent, it would be that honorable and learned gentleman. And really Senator McGregor, in his sympathy with the Minister, and his attempted vindication of his administration, which has caused so much dissent, has done him a very grave injustice. He went a little further, and referred to all this as being for the benefit of the consumers. It was a great treat to me to hear one word from this arch-protectionist in favour of the consumers. Unhappily the Tariff has gone from us, and therefore we cannot call upon him to put his sympathy in practice in a tangible way. We would almost like to have it back, so that we might have this new born zeal for the consumers translated into some kind of action which would really be of benefit to them. But the whole question is a very simple one. It is whether when accidents, mistakes, clerical errors occur in making up a long invoice—in adding up the figures in a column, and carrying over £10 or £20 less than the total

Senator Sir Josiah Symon.

really is—these should justify a charge of making a false entry, and bringing the person concerned before the minor courts of criminal jurisdiction with a view to having them remedied. Police courts are not the places in which to rectify clerical errors, but the places in which to punish offenders. Whilst I frankly declare my sympathy with the Minister in having to deal with six different States, with a new Tariff and a good deal of new machinery, at the same time when I find court after court, declaring that they must impose fines with the greatest reluctance, that they regret that the smallest fine that they can impose is £5, and that there is not a tittle of imputation of wrong-doing, I ask myself whether it is not possible that many of these cases might be made the subject of inquiry to ascertain whether there is any foundation of wickedness or attempt to do wrong under the Act before legal proceedings are instituted. I quite admit that that ought not to be done except in clear cases of clerical error. And surely we may trust the Minister and his officers in these matters. Of course, if there is any element of fraud or wrong-doing, or if the errors are so persistent as to give the impression that there is wilful negligence, then I think that there ought to be no excuse. But in the first instance there ought certainly—and that is all Senator Pulsford asks for—to be some kind of inquiry. It was put as if he had asked that some discrimination should be exercised—some attention paid to one class of persons, rather than another, and that merchants of known standing should be dealt with on a different footing. I do not know that he meant that at all, and if he did, I do not agree with him.

Senator PULSFORD.—No.

Senator Sir JOSIAH SYMON.—Every case ought to be investigated. I do not care whether the person concerned is a merchant of standing, or a merchant of no standing. What I look at is the nature of the error, and not the standing of the firm. We should have uniformity and even-handed justice amongst them all, and the only thing I think which requires careful consideration, is whether or not there should be such a multiplicity of these cases brought before the courts when it is admitted on all hands, even by the magistrates, that there is no element of wrong-doing, but that it is simply a question of accident which may occur in the

ted firms, and amongst the most
ple.

STYLES (Victoria).—This seems
a *parte* statement made on be-
importers, who feel aggrieved at
which they have been treated.
information, I should like to
er's reports in each case. It is
all to speak of the Minister being
l with a number of these cases
rne. Each case could be dealt
at way when there was a Minister
s in each State, but when there is
nister for Trade and Customs for
ia it would certainly lead to great
he merchants of Melbourne are to
ber of these cases decided by the
the merchants of Sydney, Bris-
hampton, Perth, Fremantle, and
Darwin will have an equal claim
ir cases decided by the Minister ;
it would be making fish of one
f another. Supposing a difference
rose between a merchant at Port
d a Customs officer, would it not
months for that dispute to be
it had to be referred to the
Melbourne?

Sir FREDERICK SARGOOD.—It is
a section 9 that the Minister can
s authority.

STYLES.—What better autho-
deal with such matters than a
dge or magistrate?

Sir FREDERICK SARGOOD.—The
Customs could do it. It has al-
done in Victoria.

STYLES.—I quite understand
of the importer, who does not
lugged before a court. What I
ow is how the Government are to
the people of the Commonwealth
doubt there is a good deal of hard-
ecases, and we all sympathize with
are lugged before the court over
sters, but I also recognise that in
Federal Tariff the Minister for
Customs may have to overcome a
difficulties which did not con-
States Ministers of Customs.
e a good thing, when a question
arises in the Senate, if we could
Minister give his version of the
far as I can judge there is no
Chamber who can state his side
ry, for the all-sufficient reason
is no one who knows all the cir-
Therefore we are likely to go

a little astray from not hearing both sides
of the question. If a division was taken
on the motion I should feel unable to
vote. My opinion would not be worth
much about a question of this kind, and I
should have to walk out of the Chamber
unless I had first heard what the Minister
had to say.

Senator Sir WILLIAM ZEAL (Vic-
toria).—Senator Styles cannot have read
the sworn statements in the press or he
could not have come to such a conclusion
as he has. We have had a merchant
of standing in Melbourne brought up
and fined for importing deleterious tea.
The Government analyst has declared that
that tea is perfectly wholesome and that
he would use it. That, I submit, is very
striking evidence. The unfortunate im-
porter was fined by the police magistrate
because the sample of his tea contained 8.5
instead of 8 per cent. of ash. Now, .5 per
cent. of ash would represent half-an-ounce of
deleterious matter in a hundredweight of
tea. If a chest of tea were exposed in a
store for two or three hours when a hot wind
was blowing, it would be found to contain
2 or 3 per cent. of additional ash. While we
do not wish the law to be broken, we do
not desire to see men of standing treated
like criminals in the courts, and their names
branded to all eternity simply because they
are the objects of distrust by the Minister.
It is a most unfair way in which to treat
men. Surely men who have been in busi-
ness for many years are entitled to as much
consideration as the Minister.

Senator MCGREGOR.—They ought to be
stopped from selling dirt for tea.

Senator Sir WILLIAM ZEAL.—The
honorable senator must know nothing of the
subject or he would not make such a charge.

Senator MCGREGOR.—I have drunk a lot
of tea and a lot of dirt too.

Senator Sir WILLIAM ZEAL.—There
is tea and tea. The honorable senator must
know very little about the sale of tea, if he
thinks that the difference between 8 and
8.5 per cent. in the ash constitutes a de-
leterious matter, and prohibits that article
from being sold as wholesome. A merchant
should not be brought before the court for
such offences.

Senator HIGGINS.—What does the hono-
rable senator wish the Minister to do?

Senator Sir WILLIAM ZEAL.—To use
his common sense not to be a bully and
to bring unfortunate men before the court

and brand them as criminals. That is not what he is in office for.

Senator HIGGS (Queensland).—I do not think that the Minister for Trade and Customs is a bully. He is one of the most gentle-mannered men I have met. I ask anybody who has had any transactions with the Minister if he has ever found him discourteous in any respect. Honorable senators have been led away by letters and various publications on the part of certain traders who happen to come into conflict with the Minister. We have heard a very great deal from Senator Zeal and others about the hardship there is in bringing men of standing into court. What hardship is there in bringing a person of standing into court if, owing to his neglect or the neglect of his clerk or any one else, he commits a breach of the Customs regulations?

Senator Sir WILLIAM ZEAL.—But do not treat him as a criminal.

Senator HIGGS.—He is not treated as a criminal. If he has to pay a fine of any kind, and if there are certain circumstances which clear him in the minds of the public, how does his reputation suffer? Senator Zeal mentioned the case of tea importers. I am not prepared to express an opinion about the quality of the tea referred to, but the expert evidence certainly differed very much on the question of whether it was wholesome or not. One expert said it was wholesome, and the other said it was not. Some of the honorable senators who were prepared to support the duty on tea in the interests of the consumers, who said that if we had free tea there would be no regulation to prevent the admission of large quantities of unwholesome tea, now seem to get very angry because the Minister carries out the regulation as to tea inspection. Senator Zeal, if I may be so personal, is not likely to have to drink any of this tea which is brought in by Gollin and Company, or any other firm of similar standing. It would be sent into consumption amongst the working classes.

Senator Sir WILLIAM ZEAL.—Nonsense!

Senator HIGGS.—It is not nonsense. The honorable senator said that he wishes the Minister to exercise his common sense, and go through the details of every case.

Senator Sir WILLIAM ZEAL.—I did not.

Senator HIGGS.—How can he exercise his discretion?

Senator Sir WILLIAM ZEAL.—Delegate his authority to the collectors.

Senator HIGGS.—Has he not told his officers to carry out the law without respect of persons, and bring before the court wealthy men as well as the poor? We know very well that it would be a matter of impossibility for the Minister for Trade and Customs to in any way at all go into the details of every case. Each Minister of Justice issues a general instruction to carry out the law, and it is carried out, and when a working man is found guilty of a charge there is no talk about it. Why? Because he is not a person of standing, I suppose. In carrying out the law there is a considerable amount of hardship necessarily inflicted on innocent persons.

Senator Sir WILLIAM ZEAL.—This was a question of whether there was a certain percentage of ash in the tea.

Senator HIGGS.—What would the honorable senator have done in that case? His officers would have reported the case, and said, according to the standard which has been set up in Queensland, and which has been adopted for the Commonwealth—"This tea is unwholesome, and, therefore, we shall refer the matter to the courts." Does the honorable senator object to having these cases settled in the courts? Would he prefer to have a system such as that which existed in Victoria some time ago, and under which a merchant was fined no less than £2,000 *in camera* by the Minister, and dined that very evening with the Minister? It was a wrong system, and the Senate evidently thought so too, because it passed certain clauses which compelled such cases to be decided in open court. I can well believe the statement which has been made that, owing to the system of carrying out the Customs regulations and law in the past, Queensland lost no less than 10 per cent. of its revenue. How is either the Minister or the court to decide what is a clerical error, and what is not? I venture to say that in no case of the kind has the merchant dared to punish the clerk who made the clerical error. A merchant knows very well that the clerk believes that it was his wish that the clerical error should be made. He dare not punish the clerk, because, if he did, probably the clerk would have a very good case against the firm if it ever came into open court. For every single case of hardship under the regulations, I believe that there are ten cases of prosecutions eminently just. If persons would only make a little more

for the difficulties of the Minister work which he has to do they would in this agitation, which is promoted by those who desire to break the law. The Minister is endeavouring to carry out the law, to do justice to the Commonwealth, and is merely anxious to protect the unscrupulous trader against the unscrupulous trader who gets his goods in at such a price that he can compete unfairly with the trader who pays the full duty. I know that there are thousands and thousands of such importers throughout the Commonwealth. They are willing to pay the duty imposed by the Tariff, but there are unscrupulous individuals who smuggle every commodity they import, and they could.

Sir JOSIAH SYMON.—They ought to be punished.

Mr. HIGGS.—Mr. Kingston is trying to do his duty, and if in his attempt to do the law, certain hardships are imposed, why should there be this outcry on the part of Senator Symon and others, who know better?

Sir JOSIAH SYMON.—I have not any outcry in behalf of those who are smuggling.

Mr. HIGGS.—The honorable and learned Senator has joined in the outcry against the Minister.

Sir JOSIAH SYMON.—I have not anything of the kind.

Mr. HIGGS.—What was Senator Kingston's speech if it was not joining in an outcry against the Minister? He said that he would make every allowance for the difficulties of the Minister's position; but to indulge in an hour's speech against the Minister, and to wind up with a statement of that kind, which the public outside might of, leads to the inference that the honorable and learned Senator did join in the condemnation of the way in which the Minister has carried out his duties. I deplore that action, and believe that Mr. Kingston says is quite correct. The importers will go to the duty when they have any doubt, and are quite willing to submit their case to the courts to say whether the duty shall be paid or not, they will be treated with every consideration; but if they go to the Customs and endeavour to get their goods without paying the duty, and then, after being discovered, making their "clerical errors,"

so called, are considered to be guilty of making false statements, I think the Minister is quite right in asking the various magistrates throughout the Commonwealth to decide such cases. Some of the magistrates who have had these cases brought before them, in my opinion, have been affected by local social influences which have been brought to bear. I will not mention any particular place, but there are some people that I know of in the Commonwealth who cannot be relied upon to give a fair verdict in cases of this kind. It is a very great pity that the cases which come before the courts are not tried elsewhere. We know that it is very often found necessary when a crime has been committed to try the case away from the locality on account of party feeling which might otherwise influence the verdict. That kind of thing has influenced the verdicts in these Customs cases to a very large extent. I hope the Minister will get fair play, and that we shall allow a year or two to pass before we condemn the Customs administration. Let the Minister and his officers have a fair show to inaugurate the Customs regulations which they deem to be best in the interests of the community.

Senator PULSFORD (*In reply*).—The remarks which have been made by Senator Higgs would not, I think, have been made had he been aware of the extensive character of the business of the Customs-house. I suppose that in one single general cargo of goods from overseas there may be 500 sets of entries, and perhaps in one line 10, 20, or 30 different items of the Tariff may be affected. There are, therefore, almost innumerable opportunities for errors to arise. All that is desired is that a mistake shall be recognised as such, and that no attempt shall be made to visit upon any man as a crime that which is simply a clerical error. There is no occasion to continue this debate. I hope that the Vice-President of the Executive Council will see his way to bring the matter again under the notice of the Cabinet. The honorable and learned gentleman appears to be under the impression that these prosecutions are looked upon as not necessarily injurious to anybody's character. I should like to say, in reference to a case which was heard in Sydney a few days ago, that one of the persons who was charged gave notice of appeal. In another case that occurred lately in Melbourne an importer appealed

to the court almost in pleading and pathetic terms as to his character and standing in the mercantile community, saying that he had been in the habit of paying the Customs £60,000 or £70,000 a year for years past, and that it was not a fair thing that, on account of a trumpery mistake made by one of his clerks, he should be charged in a police court with falsification of entries. I think that the matter is simplicity itself. It is so plain that I cannot for the life of me imagine the Vice-President of the Executive Council refusing any longer to bring the subject before the Executive Council with a view to the whole matter being discussed, and arrangements made which will prevent the recurrence in the future of the very unsatisfactory and disgraceful scenes that have been witnessed lately.

Motion, by leave, withdrawn.

MESSAGES BETWEEN HOUSES.

The PRESIDENT.—I wish to bring before the Senate a matter of practice in reference to Messages passing between the two Houses of the Legislature. The honorable the Speaker and myself have had a consultation in reference to the matter, and have come to the conclusion that the present practice is very inconvenient in requiring that both Houses should be sitting when a Message is received from either of them. There is no standing order which compels this to be done; we have simply followed the practice of the House of Commons. No doubt, there was a very good reason for the practice when it was initiated; but that reason has ceased to exist for some two or three hundred years; and if the Senate agrees I shall in future receive a Message from the House of Representatives if it is signed by the Speaker and brought by the proper officer of the House, notwithstanding the fact that the House of Representatives is not sitting. I think that practice will in all probability relieve us from some sittings which we might be obliged to hold if the old practice had continued to be observed. The Speaker intends to make a similar statement in the House of Representatives to-day.

FEDERAL CAPITAL SITE.

Senator Lt.-Col. NEILD asked the Vice-President of the Executive Council, *upon notice*—

1. Is he aware that the Sydney *Sunday Times* of the 14th September contains the following

words, stated to have been uttered to a representative of that journal by Sir William Lyne, Minister of State for Home Affairs, viz.:—"I have done fairly well to advance the capital question so far against pretty strong odds"?

2. In what way has the selection of a site for the federal capital been advanced as alleged by the Minister?

3. What are the "pretty strong odds" alluded to by the Minister as operating against the selection of a site for the federal capital as required by the Commonwealth Constitution?

4. Do the "pretty strong odds," against which the Minister alleges he has so "fairly well" striven, exist in the Federal Cabinet, the Federal Parliament, or are they fictive?

Senator O'CONNOR.—The answer to the honorable senator's questions is as follows:—

The position has been so far and so satisfactorily advanced, that there is a certainty, we trust, of deciding the question during the present Parliament. The Minister for Home Affairs has had the most cordial assistance of his colleagues in every step that has been taken. If the honorable member would read some of the Sydney and Melbourne newspapers, he could easily discern what and how strong has been the opposition to the action taken by the Minister for Home Affairs in making provision for the senators and members of the House of Representatives to visit the various sites.

DRILL INSTRUCTORS.

Senator MCGREGOR asked the Vice-President of the Executive Council, *upon notice*—

Has the Defence department of the Commonwealth any more discarded drill instructors that they can shelve on to South Australia?

Senator O'CONNOR.—The answer to the honorable senator's question is as follows:—

The Minister is not aware that any discarded or useless drill instructors have been shelved on to South Australia.

TRANSFERRED DEPARTMENTS: TASMANIA.

Senator KEATING asked the Vice-President of the Executive Council, *upon notice*—

1. Has the attention of the Honorable the Treasurer been directed to the speech of the Honorable the Treasurer for Tasmania in the Tasmanian Parliament on the 16th inst. relative to the increased cost of working the transferred departments of Tasmania by the Federal Government?

2. Will the Honorable the Vice-President of the Executive Council take steps to cause to be placed on the table of the Senate a statement showing the cost of working of each of such departments for each of the three years prior to transfer, and for the first federal financial year, as well as the estimated cost for the current

financial year, indicating in each case increase has occurred or is anticipated of such increase?

O'CONNOR.—The answer to the learned senator's questions is :—

Matter will be inquired into, and information at the earliest possible moment.

INDEX TO CONSTITUTION.

PULSFORD asked the Vice-President of the Executive Council, upon

referring to the resolution which, on the 9th August last year, was passed by the House of Representatives, as follows:—Would it facilitate public business and the elucidation of the Constitution of the Commonwealth if a full index of the said Constitution were available, and that it is desirable that such an index be prepared and published as soon as possible? Have any steps been taken to carry out the resolution?

When will the index be published? Have any steps yet been taken in the matter? Do the Government intend to do about

O'CONNOR.—The answers to the honorable senator's questions are as follows:—

Steps have been taken.

The index will be published as soon as possible.

PARLIAMENTARY ALLOWANCES BILL.

Received from House of Representatives, and (on motion by Senator PULSFORD) read a first time.

ELECTORAL BILL.

Returned from the House of Representatives with the following message:—

House of Representatives returns to the Senate a Bill intituled "A Bill for an Act to amend the Electoral Act, 1901," and acquaints the Senate that the House of Representatives has agreed to the amendments made by the Senate on the amendments of the House of Representatives, Nos. 28, 30, 41, 88, 95, 99, 102, 140, and 141; that it does not insist on amendments Nos. 27, 86, 87, 119, 145-160, and 162; and that it does not insist on amendments Nos. 6, 21-24, 58, 180, 192, and 196; that it has agreed to the amendment on House of Representatives' amendment No. 104 with further amendment; that it does not insist on the part of amendment No. 110, to which the Senate has agreed; and has agreed to the Senate's consequential amendment thereon with a further amendment; that it insists on its amendment and disagrees to clause 182, as amended; that it does not insist on amendment 161 (the omission of clause 211), but has the clause instead.

Senator O'CONNOR (New South Wales—Vice-President of the Executive Council).—I move—

That the standing orders be suspended to enable the message to be taken into consideration forthwith.

We are all well aware of the position with regard to this Bill as between the two Houses of the Legislature; and as I am submitting this motion, perhaps it may be convenient to honorable senators if I state what is now the position with regard to the procedure and the course which I propose to ask the Senate to take. As the matter now stands, these amendments, having been made by the House of Representatives, disagreed to by the Senate, and insisted upon by the other House, the position is this: That according to the standing orders no other course is open now to bring about agreement between the two Houses, but to follow the procedure for conferences. Under the temporary standing orders that procedure requires two ordinary conferences, or perhaps more probably dumb conferences, and then a free conference if necessary, before anything else can be done. It will be generally recognised that this procedure for a dumb conference is nothing more than an elaborate method of conveying a message. It has been recognised generally, I think, that an archaic process of that kind is really rather unfitted to our present method of doing business. In the draft standing orders, which have been so fully considered by the Standing Orders Committee, and which have been laid upon the table of the House, it is proposed to do away with that. I believe that it will be found that under these draft standing orders there will be quite sufficient scope given for the sending of messages backwards and forwards between the two Houses to enable the sending back of a message even at the stage at which we have now arrived. I think I shall be carrying out the wishes of honorable senators, if I ask that we suspend so much of the standing orders as would prevent the ordinary common-sense course being followed of sending a message down to the other House conveying what we may do here in committee, and asking the other House to consent to any course which we may suggest. I do not move that now, but it may be convenient now to state that if this motion which I now move for the suspension of the standing orders is carried,

as I have no doubt it will be, I propose to ask the House to go into committee to consider this message, and in the usual way to get an expression of opinion from the committee; and then upon the adoption of the report of the committee by the Senate, I propose to ask that the standing orders be suspended, so as to enable a message to be sent to the other House in the ordinary way. I have little doubt that the result of our deliberations in committee will be to bring to a conclusion this matter of legislation which has been before the two Houses for so long.

Question resolved in the affirmative.

In Committee:

Senator O'CONNOR.—I think it will be for the convenience of the committee if I state shortly what points are now in difference between the two Houses. In the first place, in regard to the clause known as 140a, our amendment has been modified. Honorable members will no doubt recollect that it was proposed to give power to the Minister to make regulations enabling voters to vote outside their polling places. According to our amendment that was to apply equally to elections for the House of Representatives and for the Senate. The modification made by the House of Representatives has the effect of restoring the clause as amended by them in regard to that House, so that for the House of Representatives the voter may vote in any part of a division. The regulations do not apply to that. They have accepted our amendment with regard to elections for the Senate, by approving of the making of these regulations, in so far as elections for the Senate are concerned. The next matter of importance is the clause relating to the delimitation of the boundaries of electorates for the House of Representatives. Under the Bill, as it originally stood, it was proposed that the boundaries of electorates for the House of Representatives should be fixed by a commissioner. He was to make a report, which was to be laid upon the table of the House of Representatives. If the House accepted his proposal a proclamation would issue proclaiming the electorates. If the House did not accept his proposal they intimated that by resolution, and they might also intimate by resolution, certain suggestions with regard to the framing of the boundaries. The Senate insisted upon

the plan of the subdivisions of the States being laid before both Houses, and approved by both. I propose to ask the committee to consent to a modification of this proposal as it comes from the House of Representatives. I need not state the matter in detail now, but the general effect of the modification will be to make it compulsory to lay the report before both Houses of Parliament, and to take away from either House the power of modifying the report, while leaving the power of either accepting or rejecting it. If they accept it, the divisions provided for will be proclaimed, and if they reject it, it will be sent back to the commissioner for modification, and he alone is to have the power of fixing the boundaries.

Senator Lt.-Col. GOULD.—Without any directions from Parliament?

Senator O'CONNOR.—Yes. I shall elaborate that when we come to deal with the question. Considering that it is merely incumbent upon us, as well as upon honorable members of the other House, to do our best to bring this matter to a final conclusion, honorable senators will see that there are very good reasons why some such suggestion as I have made should be carried out. The next matter of importance is the section disqualifying State members. The House of Representatives has insisted upon that amendment, and I propose to ask the committee to agree to it. With regard to plumping, the other House adheres to the attitude it took up before, and has again carried the proposals for plumping. Although I have all along felt strongly that we ought to have plumping for the Senate, I recognise at once the very strong expression of opinion given in the Senate on two occasions, and as we must have some finality in the matter, I think it is reasonable that we should ask the other House to concede that point. I shall, therefore, ask the committee to adhere to the position which we have already taken up. In connexion with, perhaps, the most important amendment insisted upon by the Senate, the House of Representatives has given way. I refer to the provision for an elections tribunal. They have suggested a very slight amendment, providing that the regulations which it was proposed should be issued by the High Court may be issued by the Governor-General until the High Court is established, and whether issued by the

or by the Governor-General, they laid upon the table of both Houses, be disapproved of by a motion in the House. I think I have recalled the matters of importance. I have little doubt that when we come to them in detail, a *via media* will be found by which we can agree upon some course of action which, I hope, will bring the two Houses into harmony upon this piece of business.

Sir JOSIAH SYMON (South Australia).—Perhaps it may shorten discussion if Senator O'Connor deals with the amendments, I take the opportunity of referring generally and briefly to them. I should, first of all, like to say that most of us will agree in the general course my honorable and learned friend proposes to adopt in relation to the convenience which might otherwise be interfered with by the standing orders. The orders are, of course, merely temporary, as the honorable and learned friend has pointed out, the somewhat anti-procedure of conferences which are held by writing, and in which no direct communication is permitted, is substantially the same as the transmission of messages by the messenger, however, that conference of that character interrupt and interfere with the course of business, and are otherwise inconvenient.

Sir O'CONNOR.—Both Houses must suspend proceedings.

Sir JOSIAH SYMON.—As the honorable and learned senator points out, the House must suspend proceedings if these conferences take place. I think we must all agree as to the course by which my honorable and learned friend proposes to afford for the transaction of particular business by the course he proposes to take. I think it is only right that, in order to express my entire confidence in the line of action he has indicated, with regard to the amendments, I should call only one to which I should like to draw particular attention. I view with favor the course to be adopted with regard to clause 151, and particularly with regard to the provision for referring disputes to elections to a court, instead of to a committee of Parliament. There is no doubt that in this matter the House has made a provision which is in accordance with the times, and one which I am sure the House of Representatives

will recognise as such, and as calculated to more efficiently and more justly bring about the determination of questions of that character. The only controversial matter to which I intend to allude is that to which my honorable and learned friend referred in connexion with clauses 22, 23, and 24 in relation to the division of districts for the House of Representatives. I quite agree that as to clause 22, which requires that the report and map of subdivisions shall be laid before the House of Representatives, it is only proper and natural that they should be laid before both Houses of Parliament. There can be no possible objection on the part of the House of Representatives to that course being adopted. It really does not involve any disputable matter. I think the same course ought to be pursued in regard to clause 23; but the real issue between us now is as to clause 24, and in order that that may be shorn of what is certainly a very contentious principle, I understand that my honorable and learned friend proposes that we should adhere to the position to the extent of eliminating the words at the end of the clause "in accordance with the requirements of any such resolution." If those words are allowed to remain, the House of Representatives will be able to give an express direction by way of resolution in dealing with any report of the commissioner. The effect would be practically to take the making of the report out of the hands of the commissioner, and to place it absolutely under the control of the House of Representatives. From the point of view of the whole scheme formulated in these three clauses that would be exceedingly undesirable. It would render the position of the commissioner absurd. It would place him in a position in which his functions might really be exhausted after his first report was sent in, and in point of fact the House of Representatives would be not so much a Court of Appeal against him as a master who, being dissatisfied with what his servant had done, could direct him to adopt a different course. We shall be ready to agree to what Senator O'Connor has indicated in regard to these words, but I am afraid that what he suggests does not go far enough for me. Having given the matter the greatest consideration, and having listened to what my honorable and learned friend has had to say, I still think the Senate ought not to abrogate its functions and relinquish its right to

have a voice in the settlement of these matters.

Senator O'CONNOR.—I have not discussed the matter. I have not stated my views fully.

Senator Sir JOSIAH SYMON.—That is so, and I do not desire to go fully into the question now. I merely say that I do not agree with what my honorable and learned friend has indicated. I think the result of what he proposes would be that the commissioner's report would be sent back until the House of Representatives got a report in conformity with the views given expression to in debate. That would be disastrous in many ways, and particularly to the smaller States, whose representation in the other House is entirely overborne. I shall deal with the matter more in detail when we come to the point.

Clause 140A (Where electors may vote).

Senator O'CONNOR.—Honorable senators are no doubt familiar with the amendment in connexion with this clause. The effect of it is that, with regard to the House of Representatives, it is provided that a voter may vote anywhere in a division; but with regard to the Senate, power is given to the Minister to make regulations, and under these regulations provision may be made for allowing a voter to vote anywhere in an electorate for the Senate, wherever it may be, and though the State may be considered as one electorate. As the Senate by a very large majority carried the proposals allowing these regulations to be made, it appears to me that there is really no reason why we should not carry the clause as it now stands. The only amendment made is in regard to the House of Representatives itself, and will have the effect of giving an elector the right to vote anywhere in a division for that House. Therefore I move—

That that part of the amendment of the Senate to the amendment of the House of Representatives to which that House disagrees, be not insisted on, and that the consequential amendments in clause 140A be agreed to.

Senator PEARCE (Western Australia).—I think that we should ask the other House to make some alteration in the amendment which they suggest. They are practically asking the Senate to restore the clause which they sent up, in addition to retaining the clause which we agreed to when the Bill was last considered. If the clause is passed in this shape, an elector at an election for the other House can vote anywhere in his

division. In the case of an election for the Senate, regulations may be framed to enable a voter to vote anywhere within the State; but if such regulations are not framed, he can only vote at the polling place for which he is registered. If it is safe to allow the elector to vote at any place within his division in one case, why should it not also be safe to allow an elector at a senatorial election to vote at any polling place for a House of Representatives division? The names of all the electors will be on a divisional roll, and a copy of each divisional roll will be supplied to every polling place. Therefore, all the safeguards you have when a voter votes at any polling place in a division exist just the same in the case of a senatorial election as in the case of an election for the other House. What I suggest is the insertion of the words "of the Senate or" before the words "the House of Representatives" in the amendment.

Senator MILLEN.—If you do not put in words at all, the same effect is obtained by disagreeing with their amendment.

Senator PEARCE.—If the opinion of the committee is that it would apply to both elections, I should be prepared to disagree with the amendment of the other House. It is a distinct restraint upon the elector as regards a senatorial election. It is not a fair limitation to impose.

Senator MILLEN (New South Wales).—I entirely agree with the objection of Senator Pearce. It would be a curious anomaly indeed if a man in any electorate were entitled to vote at one polling booth outside his own immediate polling place for the local member, but not for the Senator-member. I trust that an amendment will be made in the direction indicated. It could be achieved by disagreeing with the insertion of the words proposed by the other House. Clause 140A as it stood left it clear that an elector, voting at an election for one House or the other, could vote anywhere within his division. The other House proposes to limit that privilege to an elector who votes for a candidate for a seat in that House. If we strike out that limitation we shall restore the clause to its original position, and every elector, no matter how he is voting, will be entitled to vote anywhere within his division.

Senator O'CONNOR.—I would remind Senator Pearce that we cannot have everything we want in this world, and that we

near to it as we can. After a of discussion we carried a pro-
ing the method of regulation of
side a polling place apply equally
s for both Houses. The Senate
content that the method by
should apply to voting at a
ction, but now, because the other
made an amendment which will
regards an election for that House,
vote anywhere within his division,
rable senators wish to enlarge the
n has been given to voters at Senate
Let me point out that, accord-
amendment which was sent up in
stance, a vote may be given any-
in a division. There is no diffi-
plying electoral rolls for a division
polling place within the division.
at every polling place within a
ere is a certain check which can
That is the reason why it is
safe to apply this principle to
elections for the other House.
rd to voting at a Senate election,
much better that there should
tem of voting outside the polling
ther the voting has to be outside
place and within a division, or
has to be outside a polling place
away from a division, and in some
of the State? Surely it is very
ter to have all the voting done
system. Of course, it is optional
his regulation is made. There is
ut there will be a very strong
ut upon any Minister to make an
set of regulations before the
comes on, if the clause is left
It is impossible to suppose
Minister would allow voters
elections to be put in a worse
han voters at elections for the
se, whereas if we carry the amend-
ch Senator Pearce has suggested,
e put both these electors upon an
and the extension beyond that
left to regulation. If it is all
ion, it is impossible that the sena-
r can be left in that position. Al-
would be a perfectly logical posi-
e honorable senator to take up,
things do not always lend them-
absolute logic. There are very
ons why the amendment should
n regard to elections for the other
hope that the clause will be ac-
it is. I would point out to my

honorable friend that the more disagree-
ments there are, the more difficulty there
will be in coming to a final conclusion.

Senator GLASSEY (Queensland).—I at-
tach the greatest possible importance to elec-
tors being afforded every possible facility
to vote at the elections for either House
of the Parliament. For many years I have
contended very strongly that such facilities
should be afforded to the electors wherever
they may be located on polling day. The
amendment of the other House gives to the
candidates for seats in that House a pri-
vilege somewhat different from that which
they are prepared to give to senatorial can-
didates. I have no fear but that the Mini-
ster will frame the necessary regulations as
to give effect to the desire of the Senate in
this respect. In order to expedite the pas-
sage of the Bill we might fairly accept this
amendment, and trust to the Minister to
frame the necessary regulations. It would
not be wise to press the amendment which
has been suggested by Senator Pearce.

Senator MATHESON (Western Australia).—This is a rather more important
question than Senator O'Connor seems to
think. Supposing that an election for the
Senate and the House of Representatives
took place on the same day. The voter
who gave his vote for the candidate for the
House of Representatives, and did not go to
his own particular polling booth, would be
unable to vote for the senatorial candi-
date.

Senator PLAYFORD.—Regulations will be
framed to meet that. I am quite certain of
that.

Senator MATHESON.—In the country
districts of Western Australia the opportu-
nity of voting for a member of the other
House is the only thing which brings a man
to the polling booth. He does not care to
come to vote for a senator in whom he
takes very little interest. This is not a
matter of assumption, because the returns
of the voting in that State show that in
the country districts which are repre-
sented by Sir John Forrest, who was
returned unopposed, not many farmers
cared to take the trouble to vote for the
senatorial candidates. The result of this
provision would be that a man would take
the trouble to go into any available
polling booth to vote for a member of the
other House, and would not care particu-
larly whether he was in a polling booth
which would enable him to vote for

a member of the Senate. That is the risk which I see if the amendment is left as Senator O'Connor proposes. I think it would be far safer for the electors to state in the law what they are entitled to do.

Senator MCGREGOR (South Australia).—I also ask Senator Pearce to withdraw his objection. I know that a number of honorable senators feel very strongly on the question of an elector having the right to vote at the most convenient place. I agree with their view, but I also think with Senator O'Connor that, if we carried the amendment which has been suggested by Senator Pearce, it would take away the power that we might otherwise have to enforce the framing of regulations. It is for that reason that I ask Senator Pearce not to oppose the motion which Senator O'Connor has proposed. If we give the House of Representatives a privilege which we have not got—and it is no use to us unless in an extended form—it will be a strong argument for us to use to induce their sympathy in the framing of these regulations. I have every confidence that under these circumstances the regulations will be framed, and at the very least we can be no worse off than the House of Representatives. I therefore hope that, to save further discussion, and so as not to create friction between the two Houses, no amendment will be pressed.

Senator CHARLESTON (South Australia).—If the regulations are framed at an early date, I hope we shall have an opportunity to discuss them. I trust they will not be framed while Parliament is in recess, because it seems to me that the opinions expressed by many honorable senators are quite opposed to an elector being allowed to vote anywhere within a State. I am thoroughly satisfied that if regulations are framed permitting an elector to vote anywhere within a State, endless confusion will be caused to returning officers, and there will be very great delays in getting in returns from distant electorates.

Motion agreed to.

Clause 8 (Assistant returning officers).

Senator O'CONNOR.—In this clause, which provides that certain assistant returning officers shall be appointed, the House of Representatives added the words—

“but no assistant returning officer shall be appointed in or for any portion of a division in which less than 100 electors are enrolled.”

Those words were inserted for the purpose of insuring that the assistant returning officer should be appointed only for those places in which there was a sufficient number of voters to justify such an appointment, and that a mere handful of voters should not have their votes counted by such an officer—in other words, that the officer conducting the counting should be an important officer charged with responsible duties. That amendment has been insisted upon, and it seems to me that there is a good deal of reason to commend it. I move—

That the disagreement of the committee to the amendment be not insisted on.

Senator MCGREGOR (South Australia).—I hope that honorable senators will accept the motion. My principal reason is that the amendment of the House of Representatives maintains the secrecy of the ballot. If assistant returning officers were to be appointed in places where probably there would only be half-a-dozen electors, and power were given to count the votes there, and if at such a polling place all the votes were in one direction, the secrecy of the ballot would be destroyed. The secrecy of the ballot is valued by electors more than anything else. This amendment does not prevent electors from exercising the franchise, but merely provides a precaution under which they may exercise it with safety.

Motion agreed to.

Clause 22 (Report to be laid before House of Representatives).

Senator O'CONNOR.—The three clauses, 22, 23, and 24, involve the question of whether the Senate is to have control over the adoption of the report fixing the boundaries of the electorates for the House of Representatives. Whatever may be done with regard to the scheme of distribution. I think we may all agree that the report and plan should be laid upon the table of both Houses. In this clause the House of Representatives have omitted the words “both Houses of Parliament,” and substituted for them the words “the House of Representatives.” I propose that we shall insist on our disagreement with the House of Representatives. The effect of that will be that the clause will read—

The report and map shall be laid before both Houses of Parliament—

merely before the House of
tives. I move—

disagreement of the committee to the
be insisted on.

agreed to.

3 (Proclamation of divisions).

O'CONNOR.—This clause as we
the House of Representatives
ows:—

House of Parliament pass a resolution
of any proposed distribution, the
General may by proclamation declare
the boundaries of the divisions, and
shall until altered be the electoral
the State in which they are situated.

of Representatives amended that
out the words "both Houses of
pass," and substituting for them
"the House of Representatives
the House of Representatives
power of approving of the proposed
The proposed distribution will
ed by the Governor-General in a
n declaring the names and bound-
divisions. I move—

disagreement of the committee to the
be not insisted on.

me that, in the first place, it may
ed that the distribution of elec-
the fixing of boundaries for the
representatives is a matter which
at House almost entirely. I am
something may be said on the
but I think it will be ad-
the matter concerns the House
atives almost entirely. I can
ine a case in which the Senate
alled upon to interfere with the
distribution agreed to by the
Representatives. It must be
d that the plan of distribution
will affect six states of Aus-
one of which returns members
use of Representatives according
on. Any one who has had any
of the making of electoral
n the States will admit that it
difficult thing to alter any one
thout altering the whole of the

A scheme of distribution must
kind of a system, and if you
n to pull about the divisions
ve been made, taking a little
e and a little bit off another,
possible to do any justice
altering the system altogether.
ay be cases in which some

clerical mistake has been made, but,
speaking generally, the divisions must
be taken as a whole. I appeal to
the experience of honorable senators
coming from those States where the divisions
are fixed by a schedule to an Act of Parlia-
ment, as to whether it is not a fact that it
seldom happens that any amendment is
made in such a schedule. The reason is
that the whole thing is a bit of mosaic, and
if you begin to remove the boundaries in
one part, it is very difficult to say how you
can in equity and fairness leave the others.
I point this out in order to show that in
dealing with this matter practically, we
have to deal with the plan of subdivisions
as a whole. The Senate would never think
of interfering with a plan of division if as
a whole it were framed on anything like
reasonable lines. I can hardly understand
the Senate taking upon itself to interfere,
unless it could interfere in some effective
way. The difficulty of giving the
Senate power of absolute veto is this—
that the report is to be laid upon the
table in both Houses; the House of Repre-
sentatives, by an immense majority, or
it may be unanimously or almost unani-
mously, might agree to the proposed sub-
division of electorates; but when the plan
came to the Senate, if this House had
the power, it might absolutely prevent the
division taking place.

Senator FRASER.—Senator O'Connor asks
us to waive our rights altogether.

Senator O'CONNOR.—It is an assump-
tion that we have any rights in refer-
ence to the matter. Our right is to decide
this matter now. We are exercising our
right now, and if we exercise it in such a
way as to hand over this work to a com-
missioner, we are not giving up our right,
but are exercising it.

Senator Sir JOSIAH SYMON.—Exercising
it in order to abdicate it.

Senator O'CONNOR.—We are not abdi-
cating it. The States Parliaments have the
right in all the States of Australia to con-
trol the management of the railways in
every particular. But they have decided in
the interests of the public to hand over a
large portion of that right to commissioners.
In the same way we have the right to send
our own officers to make surveys and fix the
boundaries of electorates. By handing over
this work to a commissioner we do not give
up any right whatever. The question is

and brand them as criminals. That is not what he is in office for.

Senator HIGGS (Queensland).—I do not think that the Minister for Trade and Customs is a bully. He is one of the most gentle-mannered men I have met. I ask anybody who has had any transactions with the Minister if he has ever found him discourteous in any respect. Honorable senators have been led away by letters and various publications on the part of certain traders who happen to come into conflict with the Minister. We have heard a very great deal from Senator Zeal and others about the hardship there is in bringing men of standing into court. What hardship is there in bringing a person of standing into court if, owing to his neglect or the neglect of his clerk or any one else, he commits a breach of the Customs regulations?

Senator Sir WILLIAM ZEAL.—But do not treat him as a criminal.

Senator HIGGS.—He is not treated as a criminal. If he has to pay a fine of any kind, and if there are certain circumstances which clear him in the minds of the public, how does his reputation suffer? Senator Zeal mentioned the case of tea importers. I am not prepared to express an opinion about the quality of the tea referred to, but the expert evidence certainly differed very much on the question of whether it was wholesome or not. One expert said it was wholesome, and the other said it was not. Some of the honorable senators who were prepared to support the duty on tea in the interests of the consumers, who said that if we had free tea there would be no regulation to prevent the admission of large quantities of unwholesome tea, now seem to get very angry because the Minister carries out the regulation as to tea inspection. Senator Zeal, if I may be so personal, is not likely to have to drink any of this tea which is brought in by Gollin and Company, or any other firm of similar standing. It would be sent into consumption amongst the working classes.

Senator Sir WILLIAM ZEAL.—Nonsense!

Senator HIGGS.—It is not nonsense. The honorable senator said that he wishes the Minister to exercise his common sense, and go through the details of every case.

Senator Sir WILLIAM ZEAL.—I did not.

Senator HIGGS.—How can he exercise his discretion?

Senator Sir WILLIAM ZEAL.—Delegate his authority to the collectors.

Senator HIGGS.—Has he not told his officers to carry out the law without respect of persons, and bring before the court wealthy men as well as the poor? We know very well that it would be a matter of impossibility for the Minister for Trade and Customs to in any way at all go into the details of every case. Each Minister of Justice issues a general instruction to carry out the law, and it is carried out, and when a working man is found guilty of a charge there is no talk about it. Why? Because he is not a person of standing, I suppose. In carrying out the law there is a considerable amount of hardship necessarily inflicted on innocent persons.

Senator Sir WILLIAM ZEAL.—This was a question of whether there was a certain percentage of ash in the tea.

Senator HIGGS.—What would the honorable senator have done in that case? His officers would have reported the case, and said, according to the standard which has been set up in Queensland, and which has been adopted for the Commonwealth—“This tea is unwholesome, and, therefore, we shall refer the matter to the courts.” Does the honorable senator object to having these cases settled in the courts? Would he prefer to have a system such as that which existed in Victoria some time ago, and under which a merchant was fined no less than £2,000 *in camera* by the Minister, and dined that very evening with the Minister? It was a wrong system, and the Senate evidently thought so too, because it passed certain clauses which compelled such cases to be decided in open court. I can well believe the statement which has been made that, owing to the system of carrying out the Customs regulations and law in the past, Queensland lost no less than 10 per cent. of its revenue. How is either the Minister or the court to decide what is a clerical error, and what is not? I venture to say that in no case of the kind has the merchant dared to punish the clerk who made the clerical error. A merchant knows very well that the clerk believes that it was his wish that the clerical error should be made. He dare not punish the clerk, because, if he did, probably the clerk would have a very good case against the firm if it ever came into open court. For every single case of hardship under the regulations, I believe that there are ten cases of prosecutions eminently just. If persons would only make a little more

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ce for the difficulties of the Minister work which he has to do they would in this agitation, which is promoted who desire to break the law. The is endeavouring to carry out the to do justice to the Commonwealth, desiring to inflict a hardship on any is merely anxious to protect the against the unscrupulous trader shes to get his goods in at such a t he can compete unfairly with the trader who pays the full duty. I that there are thousands and ds of such importers throughout the wealth. They are willing to pay y imposed by the Tariff, but there er unscrupulous individuals who unuggle every commodity they imf they could.

or Sir JOSIAH SYMON.—They ought nished.

or HIGGS.—Mr. Kingston is trying h them, and if in his attempt to at the law, certain hardships are in why should there be this outcry on t of Senator Symon and others, who o know better?

or Sir JOSIAH SYMON.—I have not a any outcry in behalf of those who ggling.

or HIGGS.—The honorable and senator has joined in the outcry the Minister.

or Sir JOSIAH SYMON.—I have not anything of the kind.

or HIGGS.—What was Senator speech if it was not joining in an against the Minister? He said that e every allowance for the difficulties Minister's position; but to indulge rter of an hour's speech against the ent, and to wind up with a state- that kind, which the public outside sight of, leads to the inference that orable and learned senator did join ndemnation of the way in which ister has carried out his duties. I, deprecate that action, and believe at Mr. Kingston says is quite cerf the importers will go to the de t when they have any doubt, and quite willing to submit their case to ers to say whether the duty shall be not, they will be treated with every ation; but if they go to the Cus- ed endeavour to get their goods and then, after being dis- in making their "clerical errors,"

so called, are considered to be guilty of making false statements, I think the Minister is quite right in asking the various magistrates throughout the Commonwealth to decide such cases. Some of the magistrates who have had these cases brought before them, in my opinion, have been affected by local social influences which have been brought to bear. I will not mention any particular place, but there are some people that I know of in the Commonwealth who cannot be relied upon to give a fair verdict in cases of this kind. It is a very great pity that the cases which come before the courts are not tried elsewhere. We know that it is very often found necessary when a crime has been committed to try the case away from the locality on account of party feeling which might otherwise influence the verdict. That kind of thing has influenced the verdicts in these Customs cases to a very large extent. I hope the Minister will get fair play, and that we shall allow a year or two to pass before we condemn the Customs administration. Let the Minister and his officers have a fair show to inaugurate the Customs regulations which they deem to be best in the interests of the community.

Senator PULSFORD (*In reply*).—The remarks which have been made by Senator Higgs would not, I think, have been made had he been aware of the extensive character of the business of the Customs-house. I suppose that in one single general cargo of goods from overseas there may be 500 sets of entries, and perhaps in one line 10, 20, or 30 different items of the Tariff may be affected. There are, therefore, almost innumerable opportunities for errors to arise. All that is desired is that a mistake shall be recognised as such, and that no attempt shall be made to visit upon any man as a crime that which is simply a clerical error. There is no occasion to continue this debate. I hope that the Vice-President of the Executive Council will see his way to bring the matter again under the notice of the Cabinet. The honorable and learned gentleman appears to be under the impression that these prosecutions are looked upon as not necessarily injurious to anybody's character. I should like to say, in reference to a case which was heard in Sydney a few days ago, that one of the persons who was charged gave notice of appeal. In another case that occurred lately in Melbourne an importer appealed

to the court almost in pleading and pathetic terms as to his character and standing in the mercantile community, saying that he had been in the habit of paying the Customs £60,000 or £70,000 a year for years past, and that it was not a fair thing that, on account of a trumpery mistake made by one of his clerks, he should be charged in a police court with falsification of entries. I think that the matter is simplicity itself. It is so plain that I cannot for the life of me imagine the Vice-President of the Executive Council refusing any longer to bring the subject before the Executive Council with a view to the whole matter being discussed, and arrangements made which will prevent the recurrence in the future of the very unsatisfactory and disgraceful scenes that have been witnessed lately.

Motion, by leave, withdrawn.

MESSAGES BETWEEN HOUSES.

The PRESIDENT.—I wish to bring before the Senate a matter of practice in reference to Messages passing between the two Houses of the Legislature. The honorable the Speaker and myself have had a consultation in reference to the matter, and have come to the conclusion that the present practice is very inconvenient in requiring that both Houses should be sitting when a Message is received from either of them. There is no standing order which compels this to be done; we have simply followed the practice of the House of Commons. No doubt, there was a very good reason for the practice when it was initiated; but that reason has ceased to exist for some two or three hundred years; and if the Senate agrees I shall in future receive a Message from the House of Representatives if it is signed by the Speaker and brought by the proper officer of the House, notwithstanding the fact that the House of Representatives is not sitting. I think that practice will in all probability relieve us from some sittings which we might be obliged to hold if the old practice had continued to be observed. The Speaker intends to make a similar statement in the House of Representatives to-day.

FEDERAL CAPITAL SITE.

Senator Lt.-Col. NEILD asked the Vice-President of the Executive Council, *upon notice*—

1. Is he aware that the Sydney *Sunday Times* of the 14th September contains the following

words, stated to have been uttered to a representative of that journal by Sir William Lyne, Minister of State for Home Affairs, viz.:—"I have done fairly well to advance the capital question so far against pretty strong odds"?

2. In what way has the selection of a site for the federal capital been advanced as alleged by the Minister?

3. What are the "pretty strong odds" alluded to by the Minister as operating against the selection of a site for the federal capital as required by the Commonwealth Constitution?

4. Do the "pretty strong odds," against which the Minister alleges he has so "fairly well" striven, exist in the Federal Cabinet, the Federal Parliament, or are they fictive?

Senator O'CONNOR.—The answer to the honorable senator's questions is as follows:—

The position has been so far and so satisfactorily advanced, that there is a certainty, we trust, of deciding the question during the present Parliament. The Minister for Home Affairs has had the most cordial assistance of his colleagues in every step that has been taken. If the honorable member would read some of the Sydney and Melbourne newspapers, he could easily discern what and how strong has been the opposition to the action taken by the Minister for Home Affairs in making provision for the senators and members of the House of Representatives to visit the various sites.

DRILL INSTRUCTORS.

Senator MCGREGOR asked the Vice-President of the Executive Council, *upon notice*—

Has the Defence department of the Commonwealth any more discarded drill instructors that they can shelve on to South Australia?

Senator O'CONNOR.—The answer to the honorable senator's question is as follows:—

The Minister is not aware that any discarded or useless drill instructors have been shelved on to South Australia.

TRANSFERRED DEPARTMENTS: TASMANIA.

Senator KEATING asked the Vice-President of the Executive Council, *upon notice*—

1. Has the attention of the Honorable the Treasurer been directed to the speech of the Honorable the Treasurer for Tasmania in the Tasmanian Parliament on the 16th inst. relative to the increased cost of working the transferred departments of Tasmania by the Federal Government?

2. Will the Honorable the Vice-President of the Executive Council take steps to cause to be placed on the table of the Senate a statement showing the cost of working of each of such departments for each of the three years prior to transfer, and for the first federal financial year, as well as the estimated cost for the current

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financial year, indicating in each case whether an increase has occurred or is anticipated, and the amount of such increase?

O'CONNOR.—The answer to the question of the hon. and learned senator's questions is :—

The matter will be inquired into, and information will be obtained at the earliest possible moment.

EX TO CONSTITUTION.

PULSFORD asked the Vice-President of the Executive Council, upon

referring to the resolution which, on the 19th August last year, was passed by the Senate, would facilitate public business and the elucidation of the Constitution of the Commonwealth if a full index of the said Constitution be prepared and published as soon as possible, and that it is desirable that steps have yet been taken to carry out the resolution?

When will the index be published? What steps have yet been taken in the matter, and what does the Government intend to do about it?

O'CONNOR.—The answers to the honorable senator's questions are as follows:

Steps have been taken.

The index will be published as soon as possible.

PARLIAMENTARY ALLOWANCES BILL.

Received from House of Representatives, and (on motion by Senator O'CONNOR) read a first time.

ELECTORAL BILL.

Returned from the House of Representatives with the following message :—

The House of Representatives returns to the Senate a Bill intituled "A Bill for an Act to amend the Electoral Act, 1901," and acquaints the Senate that the House of Representatives has agreed to the amendments made by the Senate on the 19th August last, to clauses 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 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Senator O'CONNOR (New South Wales—Vice-President of the Executive Council).

—I move—

That the standing orders be suspended to enable the message to be taken into consideration forthwith.

We are all well aware of the position with regard to this Bill as between the two Houses of the Legislature; and as I am submitting this motion, perhaps it may be convenient to honorable senators if I state what is now the position with regard to the procedure and the course which I propose to ask the Senate to take. As the matter now stands, these amendments, having been made by the House of Representatives, disagreed to by the Senate, and insisted upon by the other House, the position is this: That according to the standing orders no other course is open, now to bring about agreement between the two Houses, but to follow the procedure for conferences. Under the temporary standing orders that procedure requires two ordinary conferences, or perhaps more probably dumb conferences, and then a free conference if necessary, before anything else can be done. It will be generally recognised that this procedure for a dumb conference is nothing more than an elaborate method of conveying a message. It has been recognised generally, I think, that an archaic process of that kind is really rather unfitted to our present method of doing business. In the draft standing orders, which have been so fully considered by the Standing Orders Committee, and which have been laid upon the table of the House, it is proposed to do away with that. I believe that it will be found that under these draft standing orders there will be quite sufficient scope given for the sending of messages backwards and forwards between the two Houses to enable the sending back of a message even at the stage at which we have now arrived. I think I shall be carrying out the wishes of honorable senators, if I ask that we suspend so much of the standing orders as would prevent the ordinary common-sense course being followed of sending a message down to the other House conveying what we may do here in committee, and asking the other House to consent to any course which we may suggest. I do not move that now, but it may be convenient now to state that if this motion which I now move for the suspension of the standing orders is carried,

as I have no doubt it will be, I propose to ask the House to go into committee to consider this message, and in the usual way to get an expression of opinion from the committee; and then upon the adoption of the report of the committee by the Senate, I propose to ask that the standing orders be suspended, so as to enable a message to be sent to the other House in the ordinary way. I have little doubt that the result of our deliberations in committee will be to bring to a conclusion this matter of legislation which has been before the two Houses for so long.

Question resolved in the affirmative.

In Committee:

Senator O'CONNOR.—I think it will be for the convenience of the committee if I state shortly what points are now in difference between the two Houses. In the first place, in regard to the clause known as 140a, our amendment has been modified. Honorable members will no doubt recollect that it was proposed to give power to the Minister to make regulations enabling voters to vote outside their polling places. According to our amendment that was to apply equally to elections for the House of Representatives and for the Senate. The modification made by the House of Representatives has the effect of restoring the clause as amended by them in regard to that House, so that for the House of Representatives the voter may vote in any part of a division. The regulations do not apply to that. They have accepted our amendment with regard to elections for the Senate, by approving of the making of these regulations, in so far as elections for the Senate are concerned. The next matter of importance is the clause relating to the delimitation of the boundaries of electorates for the House of Representatives. Under the Bill, as it originally stood, it was proposed that the boundaries of electorates for the House of Representatives should be fixed by a commissioner. He was to make a report, which was to be laid upon the table of the House of Representatives. If the House accepted his proposal a proclamation would issue proclaiming the electorates. If the House did not accept his proposal they intimated that by resolution, and they might also intimate by resolution, certain suggestions with regard to the framing of the boundaries. The Senate insisted upon

the plan of the subdivisions of the States being laid before both Houses, and approved by both. I propose to ask the committee to consent to a modification of this proposal as it comes from the House of Representatives. I need not state the matter in detail now, but the general effect of the modification will be to make it compulsory to lay the report before both Houses of Parliament, and to take away from either House the power of modifying the report, while leaving the power of either accepting or rejecting it. If they accept it, the divisions provided for will be proclaimed, and if they reject it, it will be sent back to the commissioner for modification, and he alone is to have the power of fixing the boundaries.

Senator Lt.-Col. GOULD.—Without any directions from Parliament?

Senator O'CONNOR.—Yes. I shall elaborate that when we come to deal with the question. Considering that it is merely incumbent upon us, as well as upon honorable members of the other House, to do our best to bring this matter to a final conclusion, honorable senators will see that there are very good reasons why some such suggestion as I have made should be carried out. The next matter of importance is the section disqualifying State members. The House of Representatives has insisted upon that amendment, and I propose to ask the committee to agree to it. With regard to plumping, the other House adheres to the attitude it took up before, and has again carried the proposals for plumping. Although I have all along felt strongly that we ought to have plumping for the Senate, I recognise at once the very strong expression of opinion given in the Senate on two occasions, and as we must have some finality in the matter, I think it is reasonable that we should ask the other House to concede that point. I shall, therefore, ask the committee to adhere to the position which we have already taken up. In connexion with, perhaps, the most important amendment insisted upon by the Senate, the House of Representatives has given way. I refer to the provision for an elections tribunal. They have suggested a very slight amendment, providing that the regulations which it was proposed should be issued by the High Court may be issued by the Governor-General until the High Court is established, and whether issued by the

COMMONS APPROVE IS INDICATED

or by the Governor-General, they laid upon the table of both Houses, be disapproved of by a motion in either House. I think I have recalled the matters of importance. I have little doubt that when we come to discuss them in detail, a *via media* will be found by which we can agree upon some course of action which, I hope, will bring the two Houses into harmony upon this piece of legislation.

Sir JOSIAH SYMON (South Australia).—Perhaps it may shorten discussion if Senator O'Connor deals with the amendments, I take the opportunity of referring generally and briefly to them. I should, first of all, like to say that most of us will agree in the general course my honorable and learned friend proposes to adopt in relation to the amendments, which might otherwise be contrary to the standing orders. The amendments are, of course, merely temporary, as the honorable and learned friend has pointed out, the somewhat anti-procedure of conferences which are held by writing, and in which no oral discussion is permitted, is substantially the same as the transmission of messages. The difference, however, that conferences of that character interrupt and interfere with the course of business, and are otherwise inconvenient.

O'CONNOR.—Both Houses must suspend proceedings.

Sir JOSIAH SYMON.—As the honorable and learned senator points out, the House must suspend proceedings if conferences take place. I think we must all agree as to the course which my honorable and learned friend proposes to adopt for the transaction of particular business by the course he proposes to take. I think it is only right that we should, and to express my entire confidence in the line of action he has indicated. With regard to the amendments, there is only one to which I should like to draw particular attention. I view with approval the course to be adopted with regard to clause 151, and particularly with regard to the provision for referring disputes to elections to a court, instead of to a committee of Parliament. There is no doubt that in this matter the House has made a provision which is in accordance with the times, and one which I am sure the House of Representatives

will recognise as such, and as calculated to be more efficiently and more justly brought about the determination of questions of that character. The only controversial matter to which I intend to allude is that to which my honorable and learned friend referred in connexion with clauses 22, 23, and 24 in relation to the division of districts for the House of Representatives. I quite agree that as to clause 22, which requires that the report and map of subdivisions shall be laid before the House of Representatives, it is only proper and natural that they should be laid before both Houses of Parliament. There can be no possible objection on the part of the House of Representatives to that course being adopted. It really does not involve any disputable matter. I think the same course ought to be pursued in regard to clause 23; but the real issue between us now is as to clause 24, and in order that that may be shorn of what is certainly a very contentious principle, I understand that my honorable and learned friend proposes that we should adhere to the position to the extent of eliminating the words at the end of the clause "in accordance with the requirements of any such resolution." If those words are allowed to remain, the House of Representatives will be able to give an express direction by way of resolution in dealing with any report of the commissioner. The effect would be practically to take the making of the report out of the hands of the commissioner, and to place it absolutely under the control of the House of Representatives. From the point of view of the whole scheme formulated in these three clauses that would be exceedingly undesirable. It would render the position of the commissioner absurd. It would place him in a position in which his functions might really be exhausted after his first report was sent in, and in point of fact the House of Representatives would be not so much a Court of Appeal against him as a master who, being dissatisfied with what his servant had done, could direct him to adopt a different course. We shall be ready to agree to what Senator O'Connor has indicated in regard to these words, but I am afraid that what he suggests does not go far enough for me. Having given the matter the greatest consideration, and having listened to what my honorable and learned friend has had to say, I still think the Senate ought not to abdicate its functions and relinquish its right to

have a voice in the settlement of these matters.

Senator O'CONNOR.—I have not discussed the matter. I have not stated my views fully.

Senator Sir JOSIAH SYMON.—That is so, and I do not desire to go fully into the question now. I merely say that I do not agree with what my honorable and learned friend has indicated. I think the result of what he proposes would be that the commissioner's report would be sent back until the House of Representatives got a report in conformity with the views given expression to in debate. That would be disastrous in many ways, and particularly to the smaller States, whose representation in the other House is entirely overborne. I shall deal with the matter more in detail when we come to the point.

Clause 140A (Where electors may vote).

Senator O'CONNOR.—Honorable senators are no doubt familiar with the amendment in connexion with this clause. The effect of it is that, with regard to the House of Representatives, it is provided that a voter may vote anywhere in a division; but with regard to the Senate, power is given to the Minister to make regulations, and under these regulations provision may be made for allowing a voter to vote anywhere in an electorate for the Senate, wherever it may be, and though the State may be considered as one electorate. As the Senate by a very large majority carried the proposals allowing these regulations to be made, it appears to me that there is really no reason why we should not carry the clause as it now stands. The only amendment made is in regard to the House of Representatives itself, and will have the effect of giving an elector the right to vote anywhere in a division for that House. Therefore I move—

That that part of the amendment of the Senate to the amendment of the House of Representatives to which that House disagrees, be not insisted on, and that the consequential amendments in clause 140A be agreed to.

Senator PEARCE (Western Australia).—I think that we should ask the other House to make some alteration in the amendment which they suggest. They are practically asking the Senate to restore the clause which they sent up, in addition to retaining the clause which we agreed to when the Bill was last considered. If the clause is passed in this shape, an elector at an election for the other House can vote anywhere in his

division. In the case of an election for the Senate, regulations may be framed to enable a voter to vote anywhere within the State; but if such regulations are not framed, he can only vote at the polling place for which he is registered. If it is safe to allow the elector to vote at any place within his division in one case, why should it not also be safe to allow an elector at a senatorial election to vote at any polling place for a House of Representatives division? The names of all the electors will be on a divisional roll, and a copy of each divisional roll will be supplied to every polling place. Therefore, all the safeguards you have when a voter votes at any polling place in a division exist just the same in the case of a senatorial election as in the case of an election for the other House. What I suggest is the insertion of the words "of the Senate or" before the words "the House of Representatives" in the amendment.

Senator MILLEN.—If you do not put in words at all, the same effect is obtained by disagreeing with their amendment.

Senator PEARCE.—If the opinion of the committee is that it would apply to both elections, I should be prepared to disagree with the amendment of the other House. It is a distinct restraint upon the elector as regards a senatorial election. It is not a fair limitation to impose.

Senator MILLEN (New South Wales).—I entirely agree with the objection of Senator Pearce. It would be a curious anomaly indeed if a man in any electorate were entitled to vote at one polling booth outside his own immediate polling place for the local member, but not for the Senate member. I trust that an amendment will be made in the direction indicated. It could be achieved by disagreeing with the insertion of the words proposed by the other House. Clause 140A as it stood left it clear that an elector, voting at an election for one House or the other, could vote anywhere within his division. The other House proposes to limit that privilege to an elector who votes for a candidate for a seat in that House. If we strike out that limitation we shall restore the clause to its original position, and every elector, no matter how he is voting, will be entitled to vote anywhere within his division.

Senator O'CONNOR.—I would remind Senator Pearce that we cannot have everything we want in this world, and that we

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near to it as we can. After a discussion we carried a proposition the method of regulation of a polling place apply equally for both Houses. The Senate content that the method by should apply to voting at a election, but now, because the other made an amendment which will regards an election for that House, vote anywhere within his division, able senators wish to enlarge the has been given to voters at Senate. Let me point out that, accord- mentment which was sent up in stance, a vote may be given any- in a division. There is no diffi- culty in electing a polling place within the division. At every polling place within a re is a certain check which can That is the reason why it is safe to apply this principle to elections for the other House. d to voting at a Senate election, much better that there should m of voting outside the polling ner the voting has to be outside place and within a division, or has to be outside a polling place way from a division, and in some f the State? Surely it is very r to have all the voting done ystem. Of course, it is optional s regulation is made. There is at there will be a very strong upon any Minister to make an et of regulations before the nes on, if the clause is left It is impossible to suppose Minister would allow voters elections to be put in a worse an voters at elections for the e, whereas if we carry the amend- n Senator Pearce has suggested, put both these electors upon an d the extension beyond that t to regulation. If it is all left n, it is impossible that the sena- can be left in that position. Al- ould be a perfectly logical posi- honorable senator to take up, things do not always lend them- absolute logic. There are very ons why the amendment should regard to elections for the other hope that the clause will be ac- t is. I would point out to my

honorable friend that the more disagree- ments there are, the more difficulty there will be in coming to a final conclusion.

Senator GLASSEY (Queensland).—I at- tach the greatest possible importance to elec- tors being afforded every possible facility to vote at the elections for either House of the Parliament. For many years I have contended very strongly that such facilities should be afforded to the electors wherever they may be located on polling day. The amendment of the other House gives to the candidates for seats in that House a pri- vilege somewhat different from that which they are prepared to give to senatorial can- didates. I have no fear but that the Minis- ter will frame the necessary regulations as to give effect to the desire of the Senate in this respect. In order to expedite the pas- sage of the Bill we might fairly accept this amendment, and trust to the Minister to frame the necessary regulations. It would not be wise to press the amendment which has been suggested by Senator Pearce.

Senator MATHESON (Western Austra- lia).—This is a rather more important question than Senator O'Connor seems to think. Supposing that an election for the Senate and the House of Representatives took place on the same day. The voter who gave his vote for the candidate for the House of Representatives, and did not go to his own particular polling booth, would be unable to vote for the senatorial candi- date.

Senator PLAYFORD.—Regulations will be framed to meet that. I am quite certain of that.

Senator MATHESON.—In the country districts of Western Australia the opportu- nity of voting for a member of the other House is the only thing which brings a man to the polling booth. He does not care to come to vote for a senator in whom he takes very little interest. This is not a matter of assumption, because the returns of the voting in that State show that in the country districts which are repre- sented by Sir John Forrest, who was returned unopposed, not many farmers cared to take the trouble to vote for the senatorial candidates. The result of this provision would be that a man would take the trouble to go into any available polling booth to vote for a member of the other House, and would not care parti- cularly whether he was in a polling booth which would enable him to vote for

a member of the Senate. That is the risk which I see if the amendment is left as Senator O'Connor proposes. I think it would be far safer for the electors to state in the law what they are entitled to do.

Senator MCGREGOR (South Australia).—I also ask Senator Pearce to withdraw his objection. I know that a number of honorable senators feel very strongly on the question of an elector having the right to vote at the most convenient place. I agree with their view, but I also think with Senator O'Connor that, if we carried the amendment which has been suggested by Senator Pearce, it would take away the power that we might otherwise have to enforce the framing of regulations. It is for that reason that I ask Senator Pearce not to oppose the motion which Senator O'Connor has proposed. If we give the House of Representatives a privilege which we have not got—and it is no use to us unless in an extended form—it will be a strong argument for us to use to induce their sympathy in the framing of these regulations. I have every confidence that under these circumstances the regulations will be framed, and at the very least we can be no worse off than the House of Representatives. I therefore hope that, to save further discussion, and so as not to create friction between the two Houses, no amendment will be pressed.

Senator CHARLESTON (South Australia).—If the regulations are framed at an early date, I hope we shall have an opportunity to discuss them. I trust they will not be framed while Parliament is in recess, because it seems to me that the opinions expressed by many honorable senators are quite opposed to an elector being allowed to vote anywhere within a State. I am thoroughly satisfied that if regulations are framed permitting an elector to vote anywhere within a State, endless confusion will be caused to returning officers, and there will be very great delays in getting in returns from distant electorates.

Motion agreed to.

Clause 8 (Assistant returning officers).

Senator O'CONNOR.—In this clause, which provides that certain assistant returning officers shall be appointed, the House of Representatives added the words—

“but no assistant returning officer shall be appointed in or for any portion of a division in which less than 100 electors are enrolled.”

Those words were inserted for the purpose of insuring that the assistant returning officer should be appointed only in places in which there was a sufficient number of voters to justify such an appointment, and that a mere handful of voters should not have their votes counted by an officer—in other words, that the officer conducting the counting should be a permanent officer charged with other duties. That amendment has been carried upon, and it seems to me that there is a good deal of reason to commend the move—

That the disagreement of the committee on the amendment be not insisted on.

Senator MCGREGOR (South Australia).—I hope that honorable senator will accept the motion. My principle is that the amendment of the House of Representatives maintains the secrecy of the ballot. If assistant returning officers were to be appointed in places where probably there would be only half-a-dozen electors, and permitted to go given to count the votes there, at such a polling place all the votes would go in one direction, the secrecy of the ballot would be destroyed. The secrecy of the ballot is valued by electors more than anything else. This amendment does not prevent electors from exercising their franchise, but merely provides a precaution which they may exercise it with.

Motion agreed to.

Clause 22 (Report to be made to the House of Representatives).

Senator O'CONNOR.—The amendments to clauses 22, 23, and 24, involve the question of whether the Senate is to have a say in the adoption of the report on the boundaries of the electorates for the House of Representatives. Whatever may be said with regard to the scheme of division of electorates, I think we may all agree that a plan should be laid upon the table of both Houses. In this clause the House of Representatives have omitted the words “both Houses of Parliament,” and substituted for them the words “the House of Representatives.” I propose that we insist on our disagreement with the House of Representatives. The effect of the amendment will be that the clause will read—

The report and map shall be laid upon the table of both Houses of Parliament—

merely before the House of
tives. I move—

disagreement of the committee to the
be insisted on.

agreed to.

3 (Proclamation of divisions).

O'CONNOR. This clause as we
the House of Representatives
ows:—

House of Parliament pass a resolution
of any proposed distribution, the
General may by proclamation declare
the boundaries of the divisions, and
shall until altered be the electoral
the State in which they are situated.

of Representatives amended that
out the words "both Houses of
pass," and substituting for them
"the House of Representatives
ing the House of Representatives
wer of approving of the proposed
n. The proposed distribution will
ed by the Governor General in a
n declaring the names and bound-
ne divisions. I move—

disagreement of the committee to the
be not insisted on.

me that, in the first place, it may
ed that the distribution of elec-
the fixing of boundaries for the
Representatives is a matter which
at House almost entirely. I am
something may be said on the

but I think it will be ad-
t the matter concerns the House
ntatives almost entirely. I can
agine a case in which the Senate
alled upon to interfere with the
distribution agreed to by the
Representatives. It must be
d that the plan of distribution
will affect six states of Aus-
one of which returns members

use of Representatives according
on. Any one who has had any
of the making of electoral
n the States will admit that it
difficult thing to alter any one
without altering the whole of the

A scheme of distribution must
be kind of a system, and if you
n to pull about the divisions
ve been made, taking a little
e and a little bit off another,
possible to do any justice
altering the system altogether.
ay be cases in which some

clerical mistake has been made, but,
speaking generally, the divisions must
be taken as a whole. I appeal to
the experience of honorable senators
coming from those States where the divisions
are fixed by a schedule to an Act of Parlia-
ment, as to whether it is not a fact that it
seldom happens that any amendment is
made in such a schedule. The reason is
that the whole thing is a bit of mosaic, and
if you begin to remove the boundaries in
one part, it is very difficult to say how you
can in equity and fairness leave the others.
I point this out in order to show that in
dealing with this matter practically, we
have to deal with the plan of subdivisions
as a whole. The Senate would never think
of interfering with a plan of division if as
a whole it were framed on anything like
reasonable lines. I can hardly understand
the Senate taking upon itself to interfere,
unless it could interfere in some effec-
tive way. The difficulty of giving the
Senate power of absolute veto is this—
that the report is to be laid upon the
table in both Houses; the House of Repre-
sentatives, by an immense majority, or
it may be unanimously or almost unani-
mously, might agree to the proposed sub-
division of electorates; but when the plan
came to the Senate, if this House had
the power, it might absolutely prevent the
division taking place.

Senator FRASER.—Senator O'Connor asks
us to waive our rights altogether.

Senator O'CONNOR.—It is an assump-
tion that we have any rights in refer-
ence to the matter. Our right is to decide
this matter now. We are exercising our
right now, and if we exercise it in such a
way as to hand over this work to a com-
missioner, we are not giving up our right,
but are exercising it.

Senator Sir JOSIAH SYMON.—Exercising
it in order to abdicate it.

Senator O'CONNOR.—We are not abdi-
cating it. The States Parliaments have the
right in all the States of Australia to con-
trol the management of the railways in
every particular. But they have decided in
the interests of the public to hand over a
large portion of that right to commissioners.
In the same way we have the right to send
our own officers to make surveys and fix the
boundaries of electorates. By handing over
this work to a commissioner we do not give
up any right whatever. The question is

how are we to exercise the right, and we may equally well exercise it by interfering in every detail or by handing over the details to someone else. We propose to hand over the final approval of this matter, which almost entirely concerns the House of Representatives, to the House of Representatives itself. If this matter were to be decided by the schedule of an Act, I could quite understand having some means by which the two Houses could be brought into agreement over the question of the boundaries of the subdivisions, because if there were such a schedule the Act would have to be passed in the ordinary form, and the Senate would have an opportunity of making amendments in it. There would be discussions in both Houses, and messages passing between the two Houses. We should be able to arrive at some finality. But there is no way of arriving at finality if both Houses are required to give their consent to the particular form, and neither House has the power to interfere with the other, or to make suggestions for bringing about an agreement. How would the thing work out practically? A plan would be laid on the table of both Houses. That plan would have been prepared by the experts. If the plan was approved of in the other House, and disapproved of in the Senate, what could the commissioner do? He could prepare another plan, which might be a little bit different from the previous one. That might meet with the approval of the Senate, but the other House might not approve of it. Then how is finality to be obtained. So far as concerns the actual working of the electoral machine, I would rather see this business managed by means of an Act of Parliament, defining the electorates in the schedule of a Bill, than leave it in the power of the Senate absolutely to make it impossible to carry the distribution of districts of which the other House has approved. We have decided the question of whether the distribution should be made in accordance with the schedule of an Act of Parliament. We have adopted this system, the great advantage of which is that instead of the distribution being by the Government it will be carried out by an officer who will be appointed for that special work, and who, although paid by the Government, will occupy a very high and responsible position. I hope that he will be such an officer that he will be able to carry out the distribution in a way satisfactory to Parliament.

Senator O'Connor.

Senator GLASSEY.—That is the practice in Great Britain, and it has worked for many years past with thorough success.

Senator O'CONNOR.—It has also been the practice in New South Wales, and was arrived at there for the very reason that we found it impossible in the actual working out of the business to have any satisfactory delimitation of boundaries in any other way. If the matter comes before Parliament you have to have a general discussion, and if you once begin to pick about a plan of subdivision you never know when you are going to stop. We find that the method here proposed has worked exceedingly well in New South Wales, where the delimitation of boundaries has been left to a commissioner. I take it that if clause 24 remains as it is now there would be a great deal of ground for comment as to the powers which are given to the House of Representatives; because, no doubt, in accordance with the latter portion of clause 24—which provides that the Minister may direct the commissioner to propose a fresh distribution, in accordance with the requirements of any resolution passed by the House of Representatives, which would be an instruction to the commissioner—the position would be that the plan laid upon the table would be one made by an officer responsible to the Government, to Parliament, and to the public. He would lay this report as the best result of his labours upon the table of both Houses. It would then be open to both Houses to discuss it, and open to the Senate as well as to the other House to pass any resolution it thought fit in regard to it. If the amendment which I suggest is carried, the position will be that either House will be bound to accept or reject the report. They can make no suggestion in regard to it, and can exercise no control over the commissioner in regard to its details. The probability is that in 99 cases out of 100 it will be accepted, but, if it is rejected, though the Minister will have power to refer it back, there will be no power in either House to alter the boundaries. It will then be open to the commissioner to correct any errors which he may have made, or, if he can discover no better distribution, to send the report back again. In the meantime, while it has been under consideration by the House of Representatives, it will be open to the Senate to consider the matter, and pass a resolution in regard to the report, or in regard to any

portion of it, and to send a message to the other House containing its views on the divisions. The other House would, as a matter of right, duty, and policy, consider any representation made by the Senate.

Sir JOSIAH SYMON.—They would be an impertinence, because the Act gives the power to them.

O'CONNOR.—Why does the learned senator assume that representation about a matter of that kind would be considered an impertinence? He knows that the Senate has a right to give an opinion upon any subject that comes for discussion by the other House. I do not doubt that the power to express an opinion in that way would be sufficient to put the views of those who hold seats in the Senate should have some voice in the fixing of these electorates. The House of Representatives would not have the power of arranging the distribution of seats, because the whole power would be in the hands of an independent commissioner whose work would be free from the criticism of both Houses of Parliament, of the press, and of the public. Under such a scheme we have an efficient safeguard for fairness in the distribution of seats. Under this scheme we place the whole power practically in the hands of the commissioner, and the possibility of the whole scheme being blocked, as it might be by a resolution carried in the Senate, would be to be very careful before stopping the process of legislation, and doing something which might, and probably would, have the effect of defeating a measure of legislation simply for the sake of having a seat which we should never exercise. If we never exercise the power, and I believe we would, is there any objection to our insisting upon having it? And by so doing run the risk of losing the measure? At a later stage we might be asked the committee to report in its disagreement in regard to a matter concerning elections for the Senate. I do not doubt the other House will agree to any method of election for the Senate which may fairly be left to the discretion of the House to determine. But I say that for the same reason if we take that view, we should be prepared to yield to the other House at the division of electorates for the House of Representatives should be left

in their hands. I can quite understand honorable senators objecting to the other House dictating to the Senate as to the method in which voting for the Senate is to be carried out, and we may just as easily understand that members of the House of Representatives should ask why the Senate should insist—not as in the case of a Bill which can be amended and discussed between both Houses, but in connexion with the passing of resolutions—upon having this right at any time to absolutely prevent the carrying out of a scheme of distribution for the House of Representatives, and in regard to which the Senate has really no direct concern. For these reasons, and as we must come to some finality, I think it would be much more reasonable for the Senate to give way in this matter than that the House of Representatives should be asked to hand over to the Senate the power to block a system of distribution of seats which may be perfectly satisfactory to the whole of the members in another place.

Senator Sir JOSIAH SYMON (South Australia).—This amendment, from my point of view, involves very grave considerations in regard to the position and rights of the Senate. My honorable and learned friend says that we are exercising our rights now. We are exercising one right now, the right of joining in a piece of legislation; but the other right, which we are supposed to exercise, is here proposed to be cut off entirely. We are asked to commit a sort of happy despatch. We are asked to exercise our right of legislation in order to deprive ourselves of any voice in the distribution of seats for one branch of the Legislature—the House of Representatives. I, for one, am not prepared to do that. Every one must recognise the plausibility of the argument of my honorable and learned friend. In the case of plumping, it has been said that the Senate ought to be allowed to declare in what way voting shall take place in connexion with the election of its own members. But this is a very different question. There is no more important and vital question connected with representation in English-speaking communities, where there are representative institutions, than that of the distribution of seats. I am afraid that Senator Glassey has forgotten that the distribution of seats is not determined by a resolution of either House, but by an Act of Parliament to which both the House of

Commons and the House of Lords have to give their consent.

Senator GLASSEY.—But the division and settlement of boundaries is left entirely in the hands of an independent tribunal, and is not interfered with.

Senator Sir JOSIAH SYMON.—That is not the point in connexion with this amendment. I agree with Senator O'Connor that it is an admirable arrangement, that the plan and delimitation of boundaries of electorates should be intrusted to an independent commissioner. But that is the mechanical part of the business which is brought before Parliament to be adopted in some shape or form, and passed into legislation. But, how is it to be adopted in some shape or form? In all other countries, with the exception of New South Wales—certainly in England, South Australia, and in Victoria—the delimitation of the boundaries of districts for the House of Assembly or the House of Commons, is fixed by an Act of Parliament. I say, that there is no question upon which greater feeling has been exhibited in Great Britain, and in connexion with which more violent political conflicts have taken place, than that of the redistribution of seats. I recollect listening in the House of Commons in 1866 to the discussion on the amendment which defeated the Reform Bill introduced by the Russell-Gladstone Government, and that amendment was to the effect that Parliament declined to take any question of the extension of the franchise into consideration until it had an opportunity of seeing how the seats were going to be distributed.

Senator GLASSEY.—The House of Lords did the same in 1884.

Senator Sir JOSIAH SYMON.—I was coming to that. Some eighteen years later, the House of Lords did the very same thing, though the House of Lords had no such right for the position which they took up as we have for taking up such a position in this Senate. The House of Lords said "We decline to consider any question of the extension of the franchise for the House of Commons until we know how the seats are to be distributed." Here, fortunately, the franchise rests upon the very broadest basis, but in England the franchise might have been extended in many ways, and in such a way as to have kept the representation in the hands of the tories on one side, or of the liberals on the other, unless the greatest care was taken in the redistribution

of the seats. Are we entitled to a voice in this matter? Undoubtedly. Should we exercise that voice? Undoubtedly, it is not disputed. It is true that New South Wales, which is always in a retrograde state in matters of reform, dealt with this business by means of a Bill. I quite agree with the Vice-President of the Executive Council, that that is a very bad method to adopt.

Senator O'CONNOR.—I did not say that at all. I think it is a very good method.

Senator Sir JOSIAH SYMON.—Then what becomes of my honorable and learned friend's argument as to the practical aspect of it? The honorable and learned senator implored us not to insist upon our right to deal with this matter because of the difficulty which this unusual method of proceeding by resolution would bring about, and because we could not have messages passing between the Houses as we do in connexion with amendments upon a Bill. The honorable and learned senator pointed out, that if a resolution were carried by the House of Representatives, and a conflicting resolution were carried in the Senate, it would lead to a block.

Senator O'CONNOR.—The honorable and learned senator will pardon me. What I said was that I should infinitely prefer to adopt the old-fashioned way, which we got rid of long ago in New South Wales of dealing with the matter by an Act of Parliament, to the plan as proposed by the Senate, but not to the plan as here proposed.

Senator Sir JOSIAH SYMON.—What I understood the honorable and learned senator to say was that these clauses, being as they are, and the method adopted being as it is, we could not so efficiently deal with the report as we could if it were embodied in the schedule of a Bill. It follows, therefore, that this is a much less efficient method of dealing with the subject than a Bill would be. Being less efficient, it is unfortunate that this method should have been adopted. So far as regards the right of the Senate to have a voice in what is a vital question in regard to the representation of the States from which we come in both branches of the Legislature, the Senate is just as much entitled as the other branch of the Legislature to determine how the people whom we represent here in the way prescribed for the Senate are to be represented in the other branch of the Legislature. It might happen that there would be such a distribution of seats as would lead to

people being represented by one electorate, and 50,000 being represented by one man in another. Then we have the whole process of representation changed.

Mr. PLAYFORD.—The electors in any district must not be in excess of a certain number.

Sir JOSIAH SYMON.—I am not objecting that by way of illustration. I desire to use the word which has been used in a certain sense, and say "gerrymandering" the boundaries, and the interests of the smaller States might be overborne.

Mr. FRASER.—Victoria and New South Wales could sweep the board if they were to do so.

Sir JOSIAH SYMON.—Of course they could. I am not going to say that they would do so, but I should we deprive ourselves of the right to exercise some kind of supervision in this matter? Could we practically abrogate the power which would be ours, if the matter were dealt with by a Bill, because there is no likelihood of the House of Representatives doing anything unjust? The same reasoning applies to the other House. I agree that the Senate would be likely to interfere, and we should be careful of interfering, unless there were a good cause for it. But if this were agreed to, and a great cause should justify the interference of the Senate, would it be our power? It will have been surrendered by the time we shall have surrendered it by the Bill which we are now asked to pass. Should we retain the right in the Bill we may exercise it if occasion arises, hoping that the occasion never will, or should we abandon it now, when difficulties occur in the future, that the power has been taken from us? There is a more practical point of view than that. That is the large Constitutional aspect which we shall do well to consider—whether we ought now to surrender a right which we indubitably possess. That we may do so is undoubted, but if we assent to this proposal, we surrender our right, and we must for ever after

Mr. DOWSON.—I feel that I cannot do otherwise than be a traitor to my duty.

Sir JOSIAH SYMON.—That is a fair view. For honorable senators to

surrender this power would be to blot the future out altogether, and say that no matter what may arise we are ready to give up a power given to us by the Constitution. No one of us is justified in doing that.

Senator FRASER.—We could give them all our rights.

Senator Sir JOSIAH SYMON.—We could hand over all our powers to the other House if we pleased. But are we going to do that? That is the question which confronts us under these clauses, and which I hope will be considered. When Senator O'Connor said that the Senate, by this amendment, sought to have a control over the distribution of seats, it was interjected from this side—"Not a control, but only a voice." So far as the Senate is concerned, it is only a voice. If we pass the clause, it is not a voice merely which is given to the other House, but an absolute undivided control. The commissioner is to hold office only during the pleasure of the Governor-General—that is to say, the Executive Government. If he presents a report which is approved of by the other House there is no difficulty. But, if under clause 24, it is disapproved of by that House, then the Minister may direct the commissioner to propose a further distribution of the State into divisions. Supposing he says "I decline." What is to happen then? He is to be sacked. And what is the position of the Senate? It is dumb; it cannot interfere. Are we going to take up that position? Supposing the commissioner says—"My distribution is fair, just, and equitable; my conscience will not allow me to obey that direction of the Minister, therefore I shall take the risk," and he is sacked. We have relinquished our power of interfering for his protection, or supporting the report which he has brought in. A pretty Senate we should be if we took up that position now. If, when a report comes before us, dealing with the distribution of seats, we choose to say—"We shall leave it to the other House. We shall not interfere with their approval or with their disapproval," that is another thing, because we shall be dealing with facts as we know them. But here it is like buying a pig in a poke. We are giving up our rights to the other House to do something in the distant future dependent upon facts and reports, and the movement of population, of which we absolutely know nothing at this moment. We are blindfolding ourselves on this question of the

distribution of seats, which may be essential to the satisfactory representation of the constituencies. I congratulate my honorable and learned friend upon the elimination of the words, "in accordance with the requirements of any such resolution," because that will prevent the House of Representatives from inserting in the resolution an absolute direction as to the distribution which it wished to take place. The same result, however, will be brought about under the clause as it stands. Supposing that the other House passes a resolution disapproving of the proposed distribution, that the Minister gives a direction to the commissioner, and that it is obeyed. The commissioner is provided with all the debates in Parliament. He has got as emphatic a direction as to what he ought to do as though it were embodied in a resolution. Supposing that he tries his best to obey, giving weight, of course, to his own opinions on the subject as well, and that he sends it back not quite in the form in which the other House would like it, what happens? The other House brings about absolutely the same result by exercising the power of sending back the distribution again and again until it gets exactly what it wants. Who want it? The dominant majority. What is to become of the small States, who may be mostly affected? All we want is justice. What is to become of the power of the Senate as the protector of the small States, not to anticipate that injustice will be done, because I do not believe that injustice will be wilfully done by any House of Representatives, but to see if the occasion should arise when gerrymandering of some sort or other has taken place, that they are not absolutely shorn of their powers to express their views on the subject, and to enforce them so far as they can. Senator O'Connor says, quite truly, that the report and the plan are to be laid on the table, and that the Senate can pass a resolution. What a tremendous concession, that we are to have the privilege of seeing the document, and of being able to read it on our files! If we pass a resolution, what does it amount to? When Senator O'Connor said he thought that the other House would take a resolution of the Senate into its grave consideration, I ventured to interject that it would be regarded as an impertinence. If I were in that House, I should say—"You

Senator Sir Josiah Symon.

have given us the absolute power of deciding this question. What right have you to interfere?" Strong as I am in my desire that the Senate should be dignified, I think that the other House would be wanting in dignity if it did not treat such a resolution as an unwarrantable interference with the statutory power which we have given them by virtue of this clause. Look at the position in which it would place the commissioner. I am sure that a man will be chosen who will do his best; but if he has the resolution of only one House, unfortified by an expression of opinion from the other, what a very curious position he will be in! How would he know what was going to happen to the small States, or what course he ought to take if the representatives of the small States—which are equally represented in the Senate—had not an opportunity of expressing their views? We know quite well that the spirit of conciliation between the Houses would always prevent any difficulty, and I think we shall all agree that so long as no injustice was done, the largest voice in the settlement of this question ought to be finally with the other House. At this stage I am not going to take any leap in the dark, and hand over any power of the Senate for good or ill to be exercised by the other House. I feel sure that the other House will see it is only fair that we should not be asked to denude ourselves of a power which, although it is not likely to be exercised, might have to be exercised, and if it is not likely to be exercised, can do no harm in being preserved to us.

Senator O'CONNOR.—I do not think that Senator Symon has helped us very much in coming to a conclusion by what he has said with regard to the rights of the Senate. Because, although I quite agree with him that every right we have should be preserved, I do not think there is anything more dangerous to the real exercise of our power than to take an unreal and fanciful view of the preservation of rights which we never intend to exercise. I should like to know from Senator Symon what right we are giving up? Has he suggested any possible way in which this right will be exercised? Has he suggested in what way the Senate could interfere for the protection of the smaller States, or under what circumstances it would or could interfere effectually? He is not able to point to a single

in which it could exercise its power. What he wants to do is to reserve a power of blocking the adoption of the plan of distribution approved of by the other House, but being able to point out in any particular how it would advance or curtail the rights of any of the States. It was said about gerrymandering, that the Constitution were other than it is, if localities simply were represented, we might understand that there might be the possibility of doing damage or injury to a State. But under the Constitution the representation has to be based on numbers, and no matter what distribution is, you cannot take away from any State its right to a certain number of representatives which is fixed by the Constitution. This Bill fixes the number in each electorate with reference to the total. First you take the population of the State, then you take the number of representatives to which it is entitled, and you divide the State into electorates so that each portion of it has a certain number, as far as possible, equal number of representatives. Therefore you cannot propose any very great departure from the principle of giving the same number of representatives in every portion of the State of a certain amount of representation. Of course you may have a certain margin which is allowed under the Act; it may be a little more, it may be a little less. You may have a difference of opinion as to the way in which the boundaries are to run to get that number, but you cannot affect the number of representatives or the number of seats in each electorate. In what way do you protect the rights of the State, if it is a small one or a large one? Is it the power which Senator Symon proposes to exercise? He has pointed out that there is a power of rejection by the House of Representatives, it can go on rejecting the report of the commissioner until he gets one which is satisfactory. The House could do precisely the same thing if it were in his contention. It could say, "I do not want an electorate shaped in a particular way, and we shall go on declining to approve of the plan of distribution, although it has been unanimously approved of by the other House, until we force the commissioner to make a plan according to our view." Senator Symon proposes not only that the House shall have the power of saying

"No" until it gets a subdivision of which it approves, but that the Senate shall have a similar power. He talks about the position of the commissioner. What is the position of the unfortunate commissioner who finds that he has drawn up a scheme which is perfectly satisfactory to an overwhelming majority in the other House, which is concerned in it, but which is unsatisfactory to the Senate? How can he please both Houses?

Senator FRASER.—It will be only a matter of form to pass it in this House.

Senator O'CONNOR.—It is not a matter of form, but a matter of reality. If the Senate is to have the right to say "No" to any plan which is brought up, then the other House is handing over to the Senate the power of settling the plan of distributing the seats therein. Why should they do that? If a distribution were embodied in a Bill which could be discussed, we should have some way of coming to finality. Surely we ought to take care in the working out of our parliamentary system to have a practical scheme which will not lead to a dead-lock. I cannot imagine any scheme more likely to lead to a dead-lock than the proposal which has been made by my honorable and learned friend.

Senator Sir JOSIAH SYMON.—The same argument would apply to any Bill.

Senator O'CONNOR.—When we are dealing with a Bill, we have the ordinary means of bringing the two Houses into agreement. But under my honorable and learned friend's proposal that could not be done. This method was adopted in order to avoid the difficulties which might arise in fixing the seats in a schedule to a Bill. If we try to engraft upon that plan the power which we can exercise when we are dealing with a Bill, we shall have all the evils which can arise under either system, and not have the benefit of either. If we have adopted the plan of having the distribution of seats fixed by a commissioner, then let us get all the benefits of that system, and do not let us put on the very face of the Act the power to absolutely prevent a distribution of seats which may be approved of in another place. The honorable senator has spoken about looking at the future. I do not think there can be any doubt that after the first distribution takes place there will be no occasions on which the power of the Commissioner will need be exercised. But there

will be occasions on which there will be a great increase of population in one State, and perhaps a decrease of population in another, which makes a redistribution of seats absolutely essential under the Constitution. When that occasion arises the position is this: The honorable senator asks that it shall be within the power of the Senate absolutely to stop the carrying out of a distribution which may take away from one State the number of members it formerly had and give more members to another State in accordance with the representation it should have under the Constitution. Why should that power, which, although a negative power, can be exercised so as to enforce the will of the Senate, be exercised by the Senate rather than by the House of Representatives, which has and ought to have the determination of those seats? I think we may go too far, and do a great deal of harm by insistence upon the mere form of a power which, in reality, does not give us the same kind of power which we should have under an Act of Parliament, not only of denying to a State a fair share of the seats, but of absolutely preventing the carrying out of the will of the other House, and the solution of the difficulty. I ask honorable senators to look at this matter from the point of view of the House of Representatives, and what they are likely to say with regard to the attitude which is taken up here. If there is no substantial reason that can be pointed out why we should give up this power—if it cannot be urged that there is some practical way in which that power can be exercised, which power we ought to preserve for the sake of any of the States—I ask honorable senators not to persist in asserting this right, and thereby risking the carrying of this measure merely for the sake of insisting upon some empty form which is never likely to be used in practice.

Senator MILLEN (New South Wales).—I am sure that the Senate will entirely agree with the latter part of the remarks of the Vice-President of the Executive Council, to the effect that it is not desirable to insist upon something which would have no practical result. To my mind, this matter is not so much one as to the rights but as to the duty of the Senate, and I was rather surprised to hear the honorable and learned senator suggest that the rights of the States as States would better be looked after in the House of Representatives than in the

Senate. If there is going to be any attempt unfairly to distribute seats, under the Constitution, it is here rather than in the House of Representatives that that matter would be looked after, and it may be for that very reason that the Senate should retain in its hands the power to express an opinion or a veto if necessary on any proposed subdivision that may be suggested by the Commissioner. Honorable senators must not lose sight of the peculiarly special purpose for which the Senate has been brought into existence—that is, the preservation of State rights and State interests. I do not know that a State can be more vitally affected in its interests than in the proper distribution of its area into electorates for the purpose of returning members of the House of Representatives. I was rather surprised to find how little the Vice-President of the Executive Council really knows about election matters, concerning which I credited him with knowing so much. He has shown us that he really does not know the meaning of gerrymandering. Notwithstanding that there is a provision in the Constitution that requires approximately equal electorates, gerrymandering can be done. It is quite possible to have electorates containing an equal number of electors and yet have gerrymandering. The whole science of gerrymandering is not so much to arrange unequal electorates, but so to arrange them as to have an absolute number of electors belonging to one party in each electorate. Take a district where there are 20,000 electors, 5,500 belonging to one party, and 4,500 to another. If, in dividing this district into two electorates, the line was taken north and south there would, perhaps, be a proportionate number of electors belonging to each party in each electorate, but if the line were run east and west, one party might be able to capture both seats. That is the science of gerrymandering. I am surprised and shocked to find that Senator O'Connor, who, I thought, knew so much of these things, really knows so little. Something has been said about the wonderful unanimity which the Legislative Assembly of New South Wales exhibited in reference to the proposed redistribution scheme prepared by an expert. It would be rather wonderful if that unanimity had not existed, because I venture to say that when the Commissioner was engaged upon his work every member of the House was able to put before him his

to how the division should take
did it myself!

O'CONNOR.—There is the same
under this measure. Yet every
in New South Wales was pleased
division.

MILLEN.—Why should they
been pleased when they had had
unity of instilling into the mind
Commissioner how the boundaries of
rates should be defined?

O'CONNOR.—If the Commissioner
all of them, what more does the
senator want?

MILLEN.—It might be possible
a scheme of distribution that
the sitting members, but which
is unfair to the State con-
We have had instances given us by
Playford as to how some candi-
daged things in South Australia.
It were possible for one of those
who unsuccessfully opposed
Pulsford to get into Parliament.
I doubt that he would endeavour
a subdivision of that State in a
so satisfactory to himself as to
a future return, although the
ent might be wholly unsatisfactory
point of view of the State as a
I do not say that there is any
y of this kind of thing happening
monwealth; but it is because the
the guardian of the rights of the
d of their interests that I think it
ve an opportunity of voting in
any proposed plan of distribution.

President of the Executive
was urged that there will be no
arrived at if the two Houses dis-
th regard to the plan submitted
Commissioner. But he overlooked
that when speaking a little
e had said that we could
message at any time, and with re-
any subject, to the House of
atives, and that even if we had
power of legislating upon the mat-
knew that the other House was
me action of which we did not
would be competent for us to
on a resolution expressing our
the subject. Surely if we could
nd the message could be received,
O'Connor suggested that it would
hout having the statutory right
the commissioner's report we
it—there is no reason why we

should not exercise that right under this
measure. I trust that the arguments which
I have used, and which other honorable
senators have addressed to the committee,
will have the effect of causing us to decide
to retain in our hands the power which, I
think, very properly belongs to us.

Senator DOBSON (Tasmania).—I should
hardly have thought that this question was
an arguable one, because from my point
of view, I cannot conceive that honorable
senators are justified in giving up the
power which by means of the amendment of
another place they are asked to surrender.
I would ask the Vice-President of the
Executive Council whether the House of
Representatives have the right to request us
to give up this power? We have already
shown by our discussions, which I presume
have been read elsewhere, that we think
that this is a power from which we have no
right to part, and which we hold in trust on
behalf of the people of our various States.
In spite of that, however, the House of
Representatives say to us—"We insist, as
far as we can, that you shall give up this
power." I take it that we have no right to
be asked to do anything of the kind. We
must adhere to the clause in question, and
must point out to the House of Representa-
tives, as my honorable and learned friend
Senator Symon, and my honorable friend
Senator Millen have done, that it would be
a most unwise betrayal of our trust to
do anything of the kind. The Vice-
President of the Executive Council has
put the matter very eloquently and per-
suasively from his point of view, and if
a constitutional right were not at stake, I
think I should, for the sake of the passage of
the Bill, be inclined to agree with him. But
in his second speech he appears to me to have
pushed his argument almost to an absurdity.
In one sentence he tells us that the matter
is a very grave one, and may end in wreck-
ing the Bill. I cannot agree with him as
to that. In the next sentence he tells us
that it is hardly likely that the Senate will
ever give effect to the power that we are
asked to resign. I quite agree with Sena-
tor O'Connor that perhaps not once in
twenty times should we exercise this power,
but the time may come when, in the in-
terest of sound and honest Government,
we shall have to interfere. What with trusts
and combines, the world is getting near to
the border line between right and wrong, and
it is impossible to say that there will not be

something bordering on corruption committed with regard to Commonwealth elections, either in respect to members or in some way of which we do not know now. How foolish the Senate would look if, at such a time, it were found that in 1902 we had given up absolutely all control in an important matter of this kind. I could understand what Senator O'Connor contends if we were handing over to the Commissioner absolutely the fixing of the boundaries, and the House of Representatives was to have no control whatever. But to say that the scheme of the Commissioner is to be laid before one House of the Parliament only is to my mind placing the Senate in a position that we could not occupy with any regard to our dignity and to the powers committed to us. I trust that we shall not give way on the matter.

Senator FRASER (Victoria).—I cannot conceive why the House of Representatives should insist upon what it has proposed in this matter. It is an unreasonable position. They are trying to press something upon the Senate that they have no right to press upon us. They seem to assume that we are not going to do what is right in the future. Apparently they are taking up the position that the passage of a measure affecting the distribution of seats would be a mere matter of form in the Senate, and that the chances are 100 to 1 that we should have no objection to offer to it. But that is no reason whatever why we should waive our rights for all time. Nobody knows what will happen in the future, and we ought not to take away from the Senate rights that the Constitution of the Commonwealth has given to it. We might as well talk of giving up powers that are conferred upon us by other sections of the Constitution Act. We should only interfere with a Distribution of Seats Bill if there had been gerrymandering. No one expects that there will be any gerrymandering, but it is quite possible after all. All things are possible in a wicked world. Another consideration is that if we waive our rights we encourage the very act we wish to prevent.

Senator McGRGOR.—Haul down the flag!

Senator FRASER.—If we haul down the flag it will be trampled under foot; keep it flying, and, of course, it will be respected. There is no reason why we

should haul down our flag. The House has taken up a very extra position. I believe that if the Government will put the matter fairly before the House of Representatives they will see the position for what the Senate insists upon.

Senator WALKER (New South Wales).—I agree with those who think that we must maintain the privileges of the Senate. There seems to be a decided impression that the other House is the predominant factor in the legislation of this Parliament, and this is an opportunity upon which we are justified in showing that we intend to maintain our rights. Once we come to this sort of thing, there is no saying when it will end. If the other House wanted to show some consideration to the Senate, they might have agreed with us to the plumping provision, and might have tried to meet them. We give in as to plumping, some of us possibly adopt a different attitude to this matter.

Question.—That the disagreement committee to the amendment be insisted on—put. The committee divided.

Ayes	...	...	...
Noes	...	...	...
Majority	...	...	...

AYES.

Barrett, J. G.	O'Connor, R.
Best, R. W.	Playford, T.
Drake, J. G.	Styles, J.
Glassey, T.	Teller, J.
McGregor, G.	Higgs, W. C.

NOES.

Baker, Sir R. C.	Pulsford, E.
Charleston, D. M.	Smith, M. S.
Dobson, H.	Symon, Sir
Fraser, S.	Walker, J.
Macfarlane, J.	Zeal, Sir W.
Matheson, A. P.	Teller, J.
Pearce, G. F.	Millen, E. I.

PATRES.

For.	Against.
Keating, J. H.	Clemons, J.
O'Keefe, D. J.	Gould, A. J.
Stewart, J. C.	De Largie, J.

Question so resolved in the negative.

Clause 24 (Proclamation of division).

Senator O'CONNOR.—The answer in this case is practically the same as with which we have just dealt, and the vote which has been taken it would be a mere waste of time for me to move

do not insist upon its disagreement and amendment of the House of Representatives. But it appears to me that if both have the right to make a recommendation there is no reason why both Houses should have the right to make a suggestion in accordance with the requirements of such resolution." That would be very likely to bring the Houses into agreement. Therefore, with regard to the amendment in the first portion of the clause, I think it is my duty to carry out the wish of the Senate, I move—

That the disagreement of the committee to the amendment adding the words "either House of" and inserting the words "the House of Representatives" be insisted on.

agreed to.

O'CONNOR.—I move—

That the disagreement of the committee to the amendment adding the words "in accordance with the requirements of any such resolution" be insisted on.

It appears to me that if both Houses are agreed, say in the matter, it is very likely that they should be able to pass resolutions stating their reasons, in which there may be some method of arriving at an agreement, and arriving at it.

Sir JOSIAH SYMON (South Australia).—I wish only to be quite clear as to what is proposed. I understand that the honorable and learned friend moves that we do not insist upon our disagreement with the amendment in the first portion of the clause, and if that is agreed to, the effect would be to delete from the clause the words "in accordance with the requirements of any such resolution." I think there is some force in what Senator O'Connor has said, although I think the difficulty which he has pointed out is one which I think is likely to be overcome.

O'CONNOR.—The matter is one which must be considered from every point of view, and there is one view of it which has not occurred to me at first, but which I think is worthy of consideration. If these amendments "In accordance with the requirements of any such resolution" are left in, a difficulty will arise as to which resolution is to be insisted on. Supposing the resolution of one House is in one direction, and the resolution passed in the other is in another direction, the difficulty created by retaining both resolutions must be evident. Upon further consideration, I think it is better that the

words should be left out, and I shall, therefore, ask leave to withdraw my motion, with a view to proposing that we insist on our disagreement with the amendment.

Senator Sir JOSIAH SYMON.—I am so anxious to have this Bill passed speedily that I accept even that suggestion.

Motion, by leave, withdrawn.

Motion (by Senator O'CONNOR) agreed to—

That the disagreement of the committee to the amendment adding the words "in accordance with the requirements of any such resolution" be insisted on.

Clause 98A (State members not entitled to be nominated).

Senator O'CONNOR.—Honorable senators will remember that this is a new clause which was inserted to make membership of a State Parliament a disqualification for nomination for election either to the House of Representatives or to the Senate. The matter has been very fully discussed already, and I need only say that there are a great many reasons in favour, and a good many against the principle of the clause. However, it seems to me that the matter is not one of sufficient importance to make it worth our while to object to the clause at the risk of a measure of this kind. I therefore move—

That the disagreement of the committee to the amendment be not insisted on.

Senator Sir JOSIAH SYMON (South Australia).—From some points of view I entirely approve of this restriction, and from other points of view I do not. I have no sympathy with the members of States Parliaments who have made a great complaint upon the subject, but I do think that perhaps the interests of the constituencies might be better served by men who have had or who at the time have political experience. On that ground, such a restriction may not be desirable, but for the sake of getting the Bill through, we might very well agree to this amendment.

Senator WALKER (New South Wales).

—I must take this opportunity of saying that I am altogether averse to this clause. I shall bow to the decision of the committee, but I desire to place upon record the fact that, in my opinion, the electors should have the right to choose any person they please. It is going back in legislation for us to try to erect a ring fence around ourselves, and if a division be called for upon the motion, I shall be prepared to vote against it.

Senator PULSFORD (New South Wales).—I rise to say that I quite feel with Senator Symon that there is a good deal to be said in favour of this clause, but I also feel that there is much to be said against it. In my opinion, the reasons against it outweigh those in favour of it, and I think that we ought to allow what is likely to be the wish of those who sent us here to rule our judgment in the matter. I believe they would like us to eliminate the clause, and I propose, therefore, to vote for its elimination.

Senator STANFORTH SMITH (Western Australia).—I strongly disapprove of this clause limiting the right of the electors to select whatever representative they please. Those who are supporting the clause are actuated by consideration for themselves rather than for the electors. Why should we restrict the right of the electors to select any candidate who chooses to stand? Why should not any person, whether a member of a State Parliament, a civil servant, or a member of a shire council, be allowed to stand for election to the Federal Parliament?

Senator MILLEN.—The honorable senator would allow the under-secretary of a great department to become a candidate in opposition to his chief.

Senator STANFORTH SMITH.—Certainly. Because a man happens to be a civil servant he should not have his rights as a citizen taken away from him. The matter is one which should be left to the electors. If a candidate is a member of a State Parliament, and the electors are opposed to the principle of a member of a State Parliament standing for election to the Federal Parliament, it will be open to them to record their votes against him. Why should we say to the electors that if certain individuals desire to stand for election to the Federal Parliament, we shall not allow them to vote for them. Those who are responsible for this disqualification and restriction have been actuated only by fear. They do not desire that State members should compete with them for their position as members of the Federal Parliament. That, in my opinion, is an unworthy and a humiliating position for a member of the Federal Parliament to take up. Why should we object to State members standing against us at a federal election? We have, or should have, a better grasp of federal politics than they have; we should

know better than they do the exigencies and requirements of the Commonwealth, and they will be possessed of no privilege that we do not possess. But by enacting this clause we place them in a position distinctly inferior to our own. In the first place, we shall be able to travel to all parts of our electorate free, while in some States, at any rate, they will be in the position of having to pay, as any other opponent would have to do. Why should we place State members in a position distinctly inferior to our own, and compel them to pay a large sum in travelling expenses which we are not called upon to bear? It has been urged as a reason why the clause should be passed that some State Parliaments have enacted a provision which prevents federal members from contesting State elections. That is not a reason; it may be a motive. Because any State Parliament has taken a small-minded view, and enacted that a federal member shall not stand for a seat therein, that is no reason why we should adopt their tactics. Because they do wrong, that is no reason why we should do wrong. It is just as absurd for us to object to a State member standing against a federal member as it would be for State members to object to shire or municipal councillors standing against them. I think it can be said that so far all our legislation has been broad, liberal, and national in character. We are now asked to enact a provision which we admit is not in the interests of the people, and which we know is in the interests of ourselves. No one will get up and say that the clause is put in for the benefit of the electors. I think we must recognise that the members of the other House have made up their mind not to allow State members to contest any federal seats with them. In the Senate we have decided on two occasions that State members should be able to compete for senatorial seats. There is no reason why the wish of each House should not be carried out in this clause. Therefore I move—

That the amendment be amended by the omission of the words, "senator or as a."

If that amendment is carried, then we shall not be a party with another place to restricting the rights of the electors to nominate or vote for whomsoever they please. So far as the Senate is concerned, I should be sorry to see the Electoral Bill contain an unworthy and humiliating clause

REPRODUCED FROM THE ORIGINAL

restricted the rights of the electors for a benefit.

MR. O'CONNOR.—I hope that the Senate will not accede to the proposition of Senator Smith, because in principle it is no justification whatever. If it is right to restrict, it should apply to the House of Representatives, it is right that it should apply to the Senate. If it should apply to the Senate it should not apply to the other House. We cannot separate the Parliament into two Houses when we are acting on a principle. The Houses have come to a conclusion if the Bill is to be a law, and that result can only be reached by one side or the other giving

MR. STANFORTH SMITH.—This is a mistake.

MR. O'CONNOR.—It is a compromise which bears on its face a violation of principle. Although some honorable men who take an opposite view to that I do may be conceding something, by making the concession in the introduction of all the legislation which is in the Bill. For that reason, I hope to be seen that the distinction pointed out by Senator Smith cannot be drawn. It is a very bad piece of workmanship to endeavour to arrive at a compromise between the Houses by applying one principle to the Senate and another principle to the other House.

MR. DOBSON (Tasmania).—I cannot support the proposition of Senator Smith, but I certainly congratulate him on the very forcible way in which he put his arguments against the motion of Senator O'Connor. If that motion is carried, the clause is a blot on our legislation, and in the long run it will not redound to the credit of the Senate. If it should ever be known how the clause originated in the hands of a statesman, surely the answer will be that he was thinking solely of his own interests. Can it be contended for a moment that he was thinking of the interests of the electors? The very object of the clause is to take away their freedom of action and to prevent the State Parliament from being a training ground for the Federal Parliament, and not to give to the Commonwealth that liberal legislation which a democrat and liberal ought to desire. I should be very much surprised to see any of my ultra-democratic and labour

friends voting for the motion. In this Parliament we need the most able and experienced men whom we can get. Any senator or member of the other House will be able the better to do his duty if he has for three or six years held a seat in a State Parliament. When a State member, by his principles, his policy, and his administration, has inspired confidence, and his services in the Federal Parliament are desired by the electors, they will be confronted with this provision, and he cannot stand unless he gives up his seat. If I had been a member of the State Parliament at the time when the federal elections were held, I should have retained my seat, and submitted myself to the federal electors. Scores of the members of this Parliament did the very thing which they say that their successors in the State Parliaments shall not be allowed to do. I cannot give way on a principle which is against every elector of the Commonwealth, and in favour of all the members of the Federal Parliament who may be opposed by State members.

SENATOR FRASER (Victoria).—I am sorry to have to disagree with Senator Dobson. It is plain to everybody why the Constitution Act permitted State members to stand at the first federal elections. There would have been a great dearth of candidates had it been otherwise provided. The services of experienced men were required in the first Federal Parliament. I can quite conceive of State members, who are more closely allied with the voters, intriguing all the time to unseat the federal members. I do not think that we are restricting the choice of the voters by compelling all persons to start from scratch. We shall give an undue advantage to the State member if he is allowed in a little hole and corner way to intrigue against the federal member. If a federal member is doing his duty with great credit to himself and with advantage to his constituents, why should a State member be afforded an opportunity to intrigue against him, and perhaps ultimately to defeat him? We place no disability upon electors in compelling State members to start fair.

SENATOR MATHESON (Western Australia).—As one of Senator Dobson's "democratic friends," I wish to explain why I shall not vote with him on the present occasion. I entirely sympathize with his sentiments and those of Senator Smith, and on previous occasions I spoke strongly

on the subject. I believe that this is a most illiberal clause, and that the electors are the people we ought to consider, and not the men, whoever they may happen to be, who occupy seats in the Senate or in the House of Representatives, or in a State House of Parliament. I am strongly of that opinion; but we have to face facts. A large majority of honorable members in the other place are strongly of opinion that a restriction should be placed upon free competition for seats in the Federal Parliament. I think they are wrong, but the majority in the other place is a large one, and this is one of the points upon which that majority feels very strongly. What will happen if we insist upon the desire of the majority of the Senate? We shall run a very great chance of jeopardizing this Bill. There can be no question that we shall endanger the fate of the measure if we insist, because the other place feels strongly about it, and, in addition to that, there is another amendment in the Bill, made by the House of Representatives, which involves a question of principle upon which I hope the Senate will insist, for the sake of the principle. In this clause there is no principle involved; it is merely a matter of justice to the electors, and if we cannot carry what we believe to be justice to the electors, sooner than lose this measure, which is very democratic and desirable in other respects, I hope we shall give in. I hope that other members of the Senate, who voted with me in favour of free-trade in candidature, will see their way to change their views, or, at any rate, their votes in respect to this matter, on account of the considerations I have put forward. I am sure that it is wise to give in to the other House upon this small matter, when the majority against us is so large.

Senator WALKER (New South Wales).—I must admit that I have much sympathy with Senator Smith in this matter. If we accept his amendment, it may be that in time the members of another place will change their opinions, feeling somewhat ashamed of their action, and will act on the lines that the Senate desires. One strong argument in favour of allowing members of States Parliaments to be candidates for the Senate is that in the States Houses the electorates are comparatively small, but in a case where a whole State is a constituency, a large amount of money is required to travel all over it. I am a

free-trader in candidature, as well as in other things.

Amendment of the amendment negatived.

Question—That the disagreement of the committee to the amendment be not insisted on—put. The committee divided.

Ayes	...	...	10
Noes	...	...	9
Majority	...	...	1

AYES.

Barrett, J. G.	O'Connor, R. E.
De Largie, H.	Styles, J.
Drake, J. G.	Symon, Sir J. H.
Fraser, S.	
Higgs, W. G.	<i>Teller.</i>
Matheson, A. P.	Millen, E. D.

NOES.

Baker, Sir R. C.	Stewart, J. C.
Best, R. W.	Walker, J. T.
Dobson, H.	Zeal, Sir W. A.
Playford, T.	<i>Teller.</i>
Pulsford, E.	Smith, M. S. C.

PAIRS.

For.	Against.
Neild, J. C.	Glassey, T.
Pearce, G. F.	McGregor, G.
Downer, Sir J. W.	Charleston, D. M.
Sargood, Sir F. T.	Macfarlane, J.
Gould, A. J.	O'Keefe, D. J.
Clemons, J. S.	Keating, J. H.

Question so resolved in the affirmative.

Clause 151 (How votes to be marked in Senate elections).

Senator O'CONNOR.—I intend to ask the Senate to insist upon disagreeing with the amendment of the House of Representatives in this clause—that is say, to put the Senate in a position of adhering to its previous vote against plumping. I therefore move—

That the disagreement of the committee to the amendment be insisted on.

Motion agreed to.

Clause 174 (Expenses allowed).

Senator O'CONNOR.—In this clause the House of Representatives made an amendment omitting "election agents," as being persons who may be employed and paid in connexion with elections. It is really not a matter of much moment, and I think that, considering that in regard to the last amendment we insisted on our disagreement, we might in connexion with this clause give way to the House of Representatives. I move—

That the disagreement of the committee to the amendment be not insisted on.

Motion agreed to.

ment to amendments in forms N
ted on.

ment to amendment in form R
on.

46 (Ballot paper to be handed

O'CONNOR.—The amendment
ise is consequential upon that in
. It deals with the question of
certificate and the signing of the
I move—

committee agree to the consequen-
ent made by the House of Represen-

agreed to.

82 (Licensed premises not to be
ction purposes).

O'CONNOR.—This clause deals
holding of meetings in public-
question between the two
whether the clause shall be in the
originally passed by us, or whether
in the form as amended by the
representatives. Considering the
difference that there is between
I move—

disagreement of the committee to the
be not insisted on.

agreed to.

Bill (Power to make rules of

O'CONNOR.—This is a clause
es to the tribunal for the hearing
election cases. The House of
ives has abandoned its method
as ordinary Elections and Quali-
committee, and has therefore given
the matter. But in regard to
l it makes certain amendments
e dealing with the rules. I have
tioned the nature of the amend-
h are very reasonable and very
I move—

committee agree to the consequential
made by the House of Represen-

agreed to.

ns reported; report adopted.

O'CONNOR.—In pursuance of
nt I made earlier in the evening,
as a matter of urgency—

uch of the standing orders be sus-
ould prevent the Electoral Bill being
the House of Representatives with a
resting that House to reconsider the
t of those amendments on which the
t, and to which the Senate requests
nce of the House of Representatives.
resolved in the affirmative.

SPECIAL ADJOURNMENT.

Senator O'CONNOR (New South Wales
—Vice-President of the Executive Council).

—I move—

That the Senate at its rising adjourn until
Thursday next.

I have made very careful inquiry from my
colleagues as to the date to which it will
be right for the Senate to adjourn. I do
not think it is possible to allow honorable
senators to separate for longer than the
period covered by my motion.

Senator Sir JOSIAH SYMON.—Say Wed-
nesday week.

Senator O'CONNOR.—I cannot say
that because the House of Representatives
has got through the Budget debate, and has
passed the first item of the Estimates. I
understand from my right honorable col-
league, the Treasurer, that there seems to
be such a disposition to complete the work
of the session that there is every probability
of the whole of the work being finished,
and the Appropriation Bill being before
us by Thursday next. That may or may
not be the case, but it seems to me
that at this stage of the session we
should not run any risk of keeping both
Houses waiting here for two or three
days in order that we may finish the
work of the session. There will be some
work for us to do here on Thursday, even
if the Appropriation Bill is not before us.
I propose to ask leave to give notice which
will enable me to move on Thursday the
motion, in connexion with the capital sites,
which is being discussed in the other
House. There is also a small measure to
be dealt with, fixing the payment of
allowances to members of the House of
Representatives and of the Senate, and
there is also a short measure investing
State Courts with federal jurisdiction for
the purpose of actions against the Common-
wealth. These matters will all have to be
discussed and decided before we deal with
the Appropriation Bill. I believe, from
what I have heard from the Treasurer, that
we shall have the Appropriation Bill before
us on Thursday, or if not, on Friday. In the
meantime there will be plenty of work for
us to do, and there is a possibility even of
our finishing the session at the end of next
week.

Senator Sir JOSIAH SYMON (South
Australia).—I hope my honorable and

learned friend will not press his motion requiring the Senate to re-assemble on Thursday next. If there were any reasonable certainty that the whole of the business of the session could be brought to a close by the Senate sitting on Thursday and Friday, I should be one of the first to say that we ought, at all inconvenience, and at all hazards I was going to say, come here even for a day for the purpose of getting through with the work. But I fear there is not the slightest possibility of that consummation being brought about. My honorable and learned friend has pointed out that we have yet to consider the Bill providing for certain allowances to members of the Federal Parliament, and there is the proposed Bill, which we have not yet seen here, conferring federal jurisdiction on State courts in regard to the trial of certain claims against the Commonwealth. We do not know what scope that Bill may take. There is also the question of the federal capital sites, which we know is fertile of debate. Then it must be remembered, that in connexion with the Appropriation Bill, we have not yet dealt with the Estimates for last year. Of course, the money has all been spent, but we cannot regard the bringing up of the Estimates and the laying of them upon the table of the Senate as merely formal. They may contain matters which may give rise to considerable debate. Then we have to consider the whole of the Estimates for the current year, and it is a little too much to expect that we can get through the whole on Thursday and Friday next. It must not be forgotten either that the Estimates have not yet been passed by the other House, and the Defence estimates will certainly take some considerable time to debate. They involve matter which ought to be thoroughly debated. It will be debated in the Senate and probably in the other House, and it may involve questions under consideration in London at the Imperial Conference, particulars of which we have not yet received. I mention these matters, not with any view of delaying the progress of business, but in order to point out that it is a little hard to bring us back from the other States for two days when there can be no certainty of our concluding the business. I therefore ask my honorable and learned friend to yield to what would be a very great convenience to many honorable senators, and propose the adjournment of the Senate until Wednesday week. The honorable and learned

Senator Sir Josiah Symon.

senator will understand that in moving an amendment on the motion I have no desire to take the conduct of business out of his hands, and I shall be willing to withdraw the amendment if Senator O'Connor is prepared to move it himself. I move—

That the words "Thursday next" be omitted with a view to insert in lieu thereof the words, "Wednesday, 8th October."

Senator MCGREGOR (South Australia).—I do not desire that honorable senators shall be brought back on Thursday in next week, when there is no possibility of our finishing the business. I therefore ask Senator O'Connor to consider seriously whether he cannot accept the amendment proposed by Senator Symon.

Senator PLAYFORD (South Australia).—I trust that Senator O'Connor will agree to the adjournment until Wednesday week. If I felt certain that we could finish the work next week, I should come back most cheerfully. There is no certainty of that, and if Senator O'Connor's motion is carried we shall be brought back here for the purpose of doing a little work on Thursday and Friday of next week, and then we shall have to travel an extra 1,000 miles to come back in the following week to finish the business, whereas if we meet on Wednesday week we could finish the business in the three days. Under the circumstances, I think the leader of the Senate might give way to the convenience of honorable senators.

Senator MATHESON (Western Australia).—I think it is straining a point to suggest that the business could be completed in three days in the week after next, when it is admitted that it could not be completed in two days during next week. In my opinion, there is business before us which will occupy more than three days, and I think we should agree to meet on Thursday next.

Senator Sir JOSIAH SYMON.—Why not Tuesday next?

Senator MATHESON.—I have no objection to that. We have yet to deal with the question of the capital sites, and there is plenty of business before us. I support the meeting of the Senate next week.

Senator KEATING (Tasmania).—I hope that upon this occasion the Vice-President of the Executive Council will accept the suggestion of the leader of the Opposition. If Senator O'Connor's proposal is carried it

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that we shall have possibly a House on Thursday and Friday whatever is done will not receive attention as it would receive if we meet on the proper day for beginning the week. If it is right that we meet next week we might just as well meet on Tuesday, and certainly not at the end of the week when those who will be concerned about the arrangements for their departure at the end of the week. I hope Senator O'Connor will be of the force of the argument that it is not that honorable members in the House will not have completed all the business which have yet to be dealt with and which we have to take up the business.

SENATOR STEWART (Queensland).—I am not able to congratulate hon. members from South Australia and New South Wales upon their continual exhibition of selfishness and their want of consideration for members coming from the north. I cannot go home every week, and what Symon and Playford can do, and what the honorable senators should be able to do, is to extend some little consideration to those who are not so fortunately situated as they are. I find that they are not able to forego a single visit to Adelaide or to those of us who come from the north to get away a little earlier. The exhibition of selfishness which I have just mentioned commends itself to me. The leader of the opposition, in support of his motion, has given reasons which might very well be advanced for our meeting on Tuesday next. He recounted a number of reasons which we have yet to deal with, and he had no doubt there would be a long discussion upon them. If we do not meet, in that case, why should we not meet on Tuesday and get those Bills out of the way? We can then start upon the Estimates the following week to deal with the Estimates, and finish the business of the session at the end of that week. Those who come from Queensland, as well as those honorable senators from South Australia, have our own affairs to attend to, and the consequence to me, and I can tell you, is much more consequence to me than to their affairs to them. I have to take a race to Queensland and back, and, as some honorable senators say, because my interests are a great deal more than theirs, they are of so much more consequence to me, and I can tell you, I am less able to afford the time that I am

detained here. I hope that Senator O'Connor will not consent to the amendment. I am informed by members of the other House that the Appropriation Bill will be introduced here next week—on Thursday, at any rate. I am also told that there is to be very little discussion on the Estimates of any department except that of Defence. In the last few weeks of the session, we ought to show some desire to get on with the public business. I can see very plainly that if the amendment is carried, the session, instead of being ended next week, will be prolonged another week, probably a fortnight. I trust that Senator O'Connor will insist upon the Senate meeting on Thursday next.

SENATOR STYLES (Victoria).—If the motion is pressed I shall support the Government, but I would join with others in urging Senator O'Connor not to ask the Senate to meet until next Tuesday week. It appears to me that the business can be disposed of in four days. If Senator O'Connor would consent to ask the Senate to meet on that date, I think there is a strong probability that we should be able to get through all the business in that week, but I do not think we should if we were to meet on the Wednesday. If I judge the feeling of the majority of honorable senators aright, I believe that their wish is to adjourn until the week after next.

SENATOR WALKER (New South Wales).—I was going to make the same suggestion—that the Senate should adjourn until Tuesday week, and sit daily until Friday.

SENATOR HIGGS (Queensland).—I sympathize with Senator Stewart, who has been kept away from his farm in the north of Queensland for sixteen months, and whose crops are not so advanced as they should be. I believe that there is no prospect of this Parliament going into recess for at least a month. If the Estimates are to be properly examined in another place, it will occupy at least a fortnight. If we are to pay any attention to public opinion regarding the proposal of Major-General Hutton to establish the military forces on a defensive and offensive basis—the Estimates of the Defence department must be discussed at some length. Surely the Estimates of the department for Home Affairs, in which Senator Matheson takes such an absorbing interest, are likely to engage his critical attention for at least three days, especially when we remember that he took a whole day to discuss one

item in connexion with the Governor-General's establishment in Sydney. If the representatives of the Government would allow us to consider private business, such as my motion about the Governor-General, Senator Stewart's motion about the meetings in Ireland, and Senator Pearce's motion about a national monopoly of tobacco manufacture, I would not mind coming back here on Tuesday, because I feel certain that there will be no other business to deal with. Some consideration ought to be shown in this instance for the senators from South Australia and New South Wales. It is the invariable practice of the latter to return to their homes every week, and to bring them back for half a day on Thursday and half a day on Friday when it is not possible for us to finish our business is not to show them that consideration which Senator Stewart is anxious should be shown to him.

Senator O'CONNOR (*In reply*).—If I were in a position to assure honorable senators that the Appropriation Bill will be here on Thursday, I should think it my duty to stand by my motion, and to throw upon the Senate the responsibility of fixing any later day of meeting. But I am in such a position that I cannot speak positively. I only hope that the Bill will be here by that time. As there seems to be such a very general desire among honorable senators to sit here a little longer, I can see that it would be useless for me to take any other course than to endeavour to fall in to some extent with their view. I cannot consent to an adjournment until Wednesday week. I am willing to consent to an adjournment until Tuesday week. I hope that by that date the Appropriation Bill will be here, and, if it is, I see no reason why we should not finish the work of the session during that week. I hope to have the consent of honorable senators on both sides to sit late, in order to accomplish that end. Under the circumstances, I have no other course open to me than to request Senator Symon to be good enough to withdraw his amendment, and to ask the Senate to allow me to substitute the words "Tuesday, 7th October," for the words "Thursday next," in my motion.

Amendment, by leave, withdrawn.

Original question amended accordingly, and resolved in the affirmative.

Senate adjourned at 8.58 p.m.

House of Representatives.

Thursday, 25 September, 1902.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

QUEENSLAND FINANCES.

Mr. R. EDWARDS.—I wish to ask the Treasurer whether he will be good enough to explain how it is the Government have kept back from the Queensland Government nearly £20,000, more than one-fourth of the customs and excise revenue collected in that State? Judging from a telegram which appears in this morning's *Argus*, some misapprehension exists with regard to the action of the Federal Government.

Sir GEORGE TURNER.—The honorable and learned member for Darling Downs intimated to me that he proposed to ask a question with regard to the whole of the statement which appears in the newspapers this morning, and I asked him to give notice of his question for Tuesday, so that I might in the meantime obtain all the necessary details. My reason for retaining more than one-fourth of the total Customs and excise revenue collected in Queensland is that the expenditure in the Post-office and Defence departments in that State was so heavy that the amount which would otherwise have been retained was exceeded. With regard to the other figures, I have no doubt that I shall be able to give a perfectly satisfactory explanation when I obtain the details from the officials of the Treasury.

VICTORIAN IRRIGATION WORKS.

Mr. GLYNN.—I wish to ask the Acting Prime Minister whether his answer to my question yesterday, with reference to the irrigation works proposed to be constructed in Victoria, is to be taken as an intimation that the Federal Government will interfere to prevent any diversion of the waters of the Murray by the Victorian Government, contrary to the provisions of the Constitution relating to trade and commerce?

Mr. DEAKIN.—Assuredly, if Victoria or any other State trespasses upon the provisions of the Constitution relating to trade and commerce, it will be the duty of the Federal Government to take whatever action may be most effective to secure compliance with all requirements.

SENATE ADJOURNED TO 11 OCTOBER

OM OFFICERS : WESTERN AUSTRALIA.

HON asked the Minister representative Postmaster - General, upon

practice of sending a mail-room officer to Perth to receive and sort the mail from the Eastern States been?

by whose advice was this done, and on grounds for such action?

Postmaster-General aware that the delay in the delivery of newspapers, and other mail matter, direct that the old arrangement be

LIP FYSH.—The answers to the honorable member's questions are as

operation was made by the Deputy Postmaster-General, who employed an officer in the place of the officer from the Boulder in no way because the correspondence to be sorted was much larger in connexion with the Boulder than with the Coolgardie office.

Postmaster-General has been advised that the arrangement, while convenient for the population of the Boulder in no way for Coolgardie correspondence, and that it is confirmed by the officer who sorts the correspondence en route. No objection to the matter has been made by the Deputy Postmaster-General of Western

ARY CUSTOMS EMPLOYEES

ME COOK asked the Minister for Customs, upon notice—

any temporary clerical employees are employed in the Customs department in Vic-

are their duties?

remuneration do they receive?

proposed to make any of the positions vacant, and, if so, how many?

proposed to appoint any junior clerks to those positions?

NGSTON.—The answers to the honorable member's questions are as fol-

employed as clerks, two as lockers, and two as messengers.

£3 per week, one at £10 per month, and one at £12 per day, for twenty-one days each month, and three at 6s. per day.

No decision has yet been arrived at.

RCHASE OF RIFLES.

UCH asked the Acting Minister for Defence, upon notice—

the officer commanding rifle clubs has recently purchased 100 or any number of rifles at £4 2s. 6d. each?

2. Are these rifles of inferior quality; or is there any reason why the War Office should charge the Commonwealth £5 each for the rifles supplied by it?

3. Is there any difference in the charges by the War Office for rifles; and, if so, for what reasons?

Sir WILLIAM LYNE.—In reply to the honorable and learned member's questions—

1. Fifty Martini Lee-Enfield rifles were specially imported for members of rifle clubs, the price of which was £4 2s. 6d. per rifle.

2. There is no difference in quality of rifles. The additional cost is made up by bayonet, scabbard, and percentage of spare parts, amounting to 17s. 6d. for each rifle.

3. No.

I might point out that, in connexion with the rifles ordered for rifle clubs, it was not considered necessary to purchase the full regulation percentage of spare parts, but in all cases where rifles were purchased at the increased price they have been accompanied by the full complement of bayonet, scabbard, and spare parts.

MESSAGES BETWEEN THE HOUSES.

Mr. SPEAKER.—I desire to inform honorable members that I have arranged with the President of the Senate that we will mutually receive and despatch messages between the two Houses, even though both Houses may not be sitting at the time. This arrangement is, of course, subject to the approval of our respective Houses.

HONORABLE MEMBERS.—Hear, hear.

IMPERIAL CONFERENCE.

Mr. DEAKIN (Ballarat — Attorney-General).—In moving—

That the notice of motion, (Government business, be postponed until after the consideration of the order of the day, (Government business, No. 1.

I desire to take advantage of the opportunity to reply to the request made by the leader of the Opposition with regard to the recent Imperial Conference, and its transactions in regard to military and naval defence.

Mr. REID.—I do not wish to interrupt my honorable and learned friend, but I think we should act regularly in these matters. I understand that he is moving the postponement of a notice of motion, and I am afraid that in doing so he can scarcely make a Ministerial statement on a subject that is not within the scope of the motion.

Mr. SPEAKER.—The point is that the Acting Prime Minister could not make a statement to the House, except in connexion with some business on the paper, but as this is a purely formal motion, I see no reason why the Minister should not make, with regard to the Government's intentions, a statement which does not involve any argument or expression of opinion.

Mr. DEAKIN.—I find that no official publication of the proceedings of the Conference has yet been authorized, but under all the circumstances, can discover no reason why such general information as we have should not be placed in the possession of honorable members. As honorable members are aware, the Conference recently held in London was exactly analogous to those meetings of Premiers of the States which have been held in the past, and are likely to be held in the future, in Australia, at which all the matters discussed were considered subject to the approval of the respective Parliaments whose representatives attended the Conference. With regard to military defence, the proposal submitted by the Imperial Government was for the creation in the various colonies of an Imperial militia reserve for service outside the colonies in cases of emergency with the consent of the Governments concerned. This appears to have been wholly withdrawn. With regard to naval defence the proposal was for a new squadron and reserve force to be subsidised by Australia and New Zealand to the extent of about £467,000 per annum. This was discussed and withdrawn. A new proposition was then made to reduce the amount of the subsidy from Australia to £200,000 a year, with an alternative project for the provision out of that sum of a local naval reserve. No resolution appears to have been carried in this regard, but the latter proposal was afterwards developed. The course to be followed will evidently be a submission to the Parliaments of Great Britain, Australia, and New Zealand of Bills repealing the existing schedule of the Australasian Naval Force Acts, and providing for the cessation of the payments now made thereunder. The new schedule, as proposed, appears to allot one-half of the cost of the Australasian squadron to the Admiralty, five-twelfths to Australia, and one-twelfth to New Zealand, the sums payable not to exceed £200,000 for the Commonwealth, and £40,000 for New Zealand, annually. Whether that would be

the total cost of the fleet in these waters is not clear. The new squadron would probably consist of a smaller number of ships than are at present on the station, but the new vessels would be of greater tonnage and much increased speed. The alternative project for the establishment, out of the £200,000 a year, of an Australasian naval reserve has evidently been adopted, as it is intended that one of the cruisers on the station, and three of the existing auxiliary cruisers to be employed as drill ships, shall be manned by Australian sailors paid at special rates and enrolled in proportion to population; two of the drill-ships would be stationed in Australia and one in New Zealand; Australia would receive eight nominations for cadetships and New Zealand two. The proportion of the £200,000 applicable to this Australian naval reserve is not stated. As the scheme involves the amendment of Acts of the several States, a Commonwealth Act will require to be passed before anything can be done to give effect to it. These are the outlines of a proposal which will, after approval by the Cabinet, be laid before this Parliament next session, when all the details will be submitted to the judgment of honorable members.

Mr. HIGGINS.—Which Government is to have control of the Australian seamen?

Mr. DEAKIN.—In time of peace the control would be vested in the Australian Government, but in time of war the men would form part of the forces of the Empire, under the control of the chief naval officer on the station.

Mr. CROUCH.—Could they leave Australian waters at any time?

Mr. DEAKIN.—The official information received by us does not refer to that point. Under the old Act they could leave Australian waters with the consent of the Governments concerned. Whether that condition has been varied or not does not appear from the cables.

Question resolved in the affirmative.

BUDGET (1902-3).

In Committee of Supply:

Sir GEORGE TURNER (Balaclava—Treasurer).—In order to enable a general discussion to take place, I move—

That the following sum be granted to His Majesty to defray the charges for the year 1902-3, for the following service—The Senate. £8,829.

CHAIRMAN.—I presume that it is the measure of the committee that a debate should take place upon this

HONORABLE MEMBERS.—Hear, hear.

MR. CHAIRMAN (East Sydney).—In rising to make observations with regard to the delivery by the Treasurer, I cannot but mark upon the different circumstances in which we now find ourselves compared with those which attended the delivery of my right honorable friend's first Budget speech. Upon matters of great moment and of great importance had to be discussed and decided. On this occasion we all feel that the task before us is not one of the same kind; but I think it is a constitutional rule that a man occupies the position which I hold in this House should, upon an occasion such as this, make a speech which will fairly deal with the situation of public affairs, especially in relation to finance, at the present time. I feel deeply sensible of the strain which has been put upon Ministers and members generally during this session, and I do not wish at this time to introduce to a greater extent than is already necessary remarks of a controversial character. I think I have the honor of the honorable members who sit behind me, and I think they have a strong desire that the Opposition should satisfy the House by the address which I propose to

HONORABLE MEMBERS.—Hear, hear.

MR. CHAIRMAN.—We all feel that at this time of the session it would be altogether unreasonable to have any very long debate, and I have ascertained from the honorable friends who are sitting behind me that, without any honorable member surrendering his absolute right to speak for them. That will lead to a saving of time, but that arrangement, of course, is subject to a tacit understanding that a similar disposition will prevail on the other side. These understandings are of no binding character; they are intended to restrict any honorable member's freedom of discussion, because it is a most improper exercise of any undue influence in this House for any member to endeavour to suppress in any way the legitimate discussion. The Opposition cannot take to themselves the

blame which is usually attached to an Opposition at the end of a long session the results of which have not been quite up to the expectation of the Ministry. From time immemorial, the excuse of Ministers has always been that the faults which have occurred in the transaction of public business have entirely proceeded from the Opposition side of the House. I think that, looking back at the events of the session, I can fairly say, on behalf of the Opposition, that they have not been led into extravagant or obstructive or unfriendly tactics. I rejoice at the fact that, in spite of the great strain which has been put upon honorable members on both sides in respect of some of their most cherished political principles, we have, as a rule, been able to conduct our debates and fight our fights without any unseemly exhibition of personal feeling. I feel that the House is to be heartily congratulated upon the fact that after many months of arduous work we came out of the committee on the Tariff still able to preserve the good feeling which has happily characterized this Parliament from the beginning of its existence, and which I hope will long continue. At the same time, one is not to forget the duty which he owes to those whom he represents; and it is impossible therefore to allow one's friendly disposition towards Ministers personally, or towards honorable members personally, to influence his discharge of a public duty. I therefore feel compelled upon the present occasion to criticise Ministers with freedom; but I hope with an endeavour to be fair, and in a spirit of moderation. When I recall the business-paper for the beginning of the session, I think it was then that Ministers made their first serious mistake. Honorable members will recollect that every conceivable Bill of which a Federal Ministry could think, or which a Federal Parliament could pass, was placed upon our first business-paper. Honorable members may, perhaps, have forgotten the gallant array of measures which greeted us upon the opening of the session. I remember that one measure, which would take a House some years to consider, was inserted amongst a dozen others of great national importance. I refer to the Bill relating to arbitration and conciliation. There were a number of other measures which were more or less of vital interest to honorable members, and to large bodies of men outside. I think that the Federal Ministry made their first great

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mistake in endeavouring to fly every possible flag that would attract support in this House as well as outside, without regard to business-like rules of procedure. In the next place, I believe that Ministers themselves will admit that, in regard to the management of matters in an assembly of this kind, it is of great importance that the Cabinet should arrive first at a wise selection of measures, in the order of their urgency and importance, and that, having arrived at a decision, they should resolutely and firmly adhere to the programme which they have marked out for themselves. I do not think it is an unfair criticism of Ministers to say that their selection in the first place was not a wise one, and in the next place that, whether it was wise or unwise, they did not show that determination, courage, and resolution in carrying out their public programme which is called for by responsible government. I do not desire to urge these matters unfairly against the Government, because I quite admit that no Ministry in Australia has ever occupied a more difficult position or been called upon to consider a larger number of difficult questions. But even having regard to those facts, I hold that the exercise of a fair and ordinary amount of prudence and intelligence by the Government would have saved this House from considerable waste of public time, and would have left honorable members with a much better record to present to the people of Australia. It is impossible for my honorable friends opposite, who have followed the Ministry through all their courses, whether straight or the reverse, to escape from their legitimate responsibility to the people for the results of the session. I confess that I should have thought that the very first measure of importance to have been dealt with in this House would have been a Bill to establish the administration of justice in the Commonwealth. Our Constitution does not make the High Court of Justice a department of the State. It is advisedly framed so as to make the High Court a part of the very Constitution itself. The Constitution has not yet been brought into operation in one of its most vital parts. Much of the grave dissatisfaction which has arisen in various parts of the Commonwealth with reference to the effect of federation has sprung from the fact that whilst the Government have taken every care to arm themselves

with power to make use of the State courts in order to conduct prosecutions, and enforce pains and penalties, they have carefully shielded themselves from giving the public of Australia any chance to obtain redress. That state of things shocks the feelings of a community which is accustomed to be governed under just conditions. The Ministry have chosen to leave the Judiciary Bill upon the table for many months, for reasons which may not have had the slightest tinge of a personal character. It may not have entered into their imagination that the passing of a Judiciary Bill might involve changes in the federal administration which would be inconvenient in the middle of a session. I do not desire to impute to the Ministry any personal reason for the delay which has taken place in dealing with the measure; but I must say it is a singular thing that towards the close of the session it was suddenly introduced, and an attempt made by the Attorney-General to pass it into law. The speech which the Attorney-General delivered in moving the second reading of the Bill was one which, I believe, will always stand in the highest place, with regard to the ability and eloquence which inspired it. I had not the pleasure of hearing his speech, but I had the very great pleasure of reading it, and I have not the slightest hesitation in saying that it will always remain one of the ablest deliverances to which we are likely to listen in this House. But that grand effort—that grand speech—had a very lame and impotent conclusion. If the occasion warranted not only the Bill but the oration, the Government ought to have gone farther. I am sure the Attorney-General is not one who has any wish simply to indulge in a magnificent display of fireworks, the effect of which is to fade away after the performance is over. I must give him credit for a serious performance in making that great speech, but, strange to say, the Bill has disappeared from the notice-paper. Has it disappeared because the Ministry think this vital question is one which can be played with; or is it because the Ministry has discovered that since they have delayed the Bill for so many months, the House is determined not to pass it now? If there is an Act whose powers of appointment should be exercised while Parliament is sitting it is a Judiciary Act. The most vital point in the history of Australia will be touched

the appointments to the High Court are made, and no Ministry can come from Parliament at such a time. I think that those who, since they had delayed the measure for so long, determined it should not be this session, took a wise course, of hearty approval. But the Government should have done then what they were doing at the eleventh hour; they should have made up their minds whether this Bill was to be passed. And if they made up their minds that the Bill was to be passed this session, they clearly should have brought in a temporary measure to overcome the serious difficulty which had arisen. But instead of that, simply because of the little case about a cabman—a great case about a cabman, but little in the scale of importance—occurred in a Sydney case, the Federal Ministry absconded with their attitude in reference to the matter of vital concern. Fortunately the change of attitude involves a general recognition of a duty which should have been done long ago; and on this score I do not complain. The case in Sydney was one of humiliating, I suppose, that we could not do. The Federal Government made arrangements so that Mr. Drake could be sued locally, and promised they would not raise any question about Mr. Drake being Attorney-General, the action being brought against the Crown; and these admissions were made in order that the man should go into court and have his case investigated. When the honorable member for South Australia, Mr. Mann, in speaking on the Post-office Bill, called attention to this singular state of affairs, the Attorney-General said—"We will cover all that, and we shall not allow our liabilities to stand in the way of justice." When the unfortunate man brought his case before these admissions, which I have the opportunity of seeing, the Attorney-General for New South Wales, Mr. Deakin, I am sure, seemed to consider it necessary to make it clear that the man was not to be responsible locally. But the whole object of the Bill, and the consent to Mr. Drake being sued personally, was that he should be sued personally, or, otherwise, it was a result that the proceedings were to be taken down. This is a small matter to us, but it was a serious matter for the man, and it throws a glare upon a state of

things which helps to intensify the dissatisfaction of the people in reference to the working of the Federal Constitution. Late in the day, the Government have done the right thing in giving notice of a Bill to deal with this difficulty. But, as I understand, this Bill contains a provision which will absolutely rob it of the barest elements of justice. Machinery exists in Australian Acts enabling a man to petition, and enabling the Commonwealth Government to appoint a nominal defendant; but unless the Government consent to appoint a nominal defendant, no person will be at liberty to bring an action in the courts. I understood that the Bill was to be laid on the table, but I found that the secretary to the Attorney-General had not a copy when I asked for one. I then asked him what the Bill was about, as I wished to refer to it, and the information I have indicated was that given to me.

MR. WATSON.—Is there not something in the States Acts as to waiver?

MR. REID.—The provision in the States Acts is that if the Government do not appoint a nominal defendant within one month—and, as I said, an official as a nominal defendant—the action may go on.

MR. DEAKIN.—That is in New South Wales, but not in several of the other States.

MR. REID.—I am speaking of New South Wales, with which I am most familiar. It is an absolute farce to bring in this Bill if the Government have power to decide whether a man is to proceed at law or not. Surely no one will say that the Act of New South Wales is a retrogressive or conservative measure?

MR. L. E. GROOM.—Have the Government ever refused to appoint a nominal defendant in New South Wales?

MR. REID.—If the honorable and learned member for Darling Downs had a case against the Commonwealth, he would not be satisfied with that answer. What sort of satisfaction would people doing business with the Custom house have if, when they wished to bring an action against the Collector or the Minister, the latter had the option of saying whether or not the action should be brought? What sort of fairness would there be in such a provision? It is repugnant to the very idea of justice or equity to offer what is not a favour but a right, and then make the exercise of the

right conditional on the assent of the party against whom the action is being brought.

Mr. CROUCH.—There is a class of people in New South Wales who have not been able to assert their rights in any court.

Mr. REID.—That may be, but I am sure that the existence of this provision will not help them. I shall say no more until we have the Bill before us. I hope the Government will think over the matter, because I shall regard the Bill as very unsatisfactory if it is encumbered with such a provision. The next matter to which I wish to refer is that of Australian defences. It was not, I think, necessary for the Government to take over the Defence department on the establishment of the Commonwealth. But the department was taken over in a state of chaos, and that being so, another measure, however short, became urgently necessary in order to place the defence forces of Australia on some legal basis. I do not wish to speak too positively, but I seriously question whether there is absolutely any legal basis for the discipline of the forces in Australia. The men signed to serve, not the Commonwealth Government, but the State Governments; and some short measure was, in my opinion, necessary, in order to put the forces on a thoroughly legal constitutional basis as the forces of the Commonwealth. The Defence Bill, however, was brought in, and, after there had been a series of speeches, it disappeared. If the Government did not intend to go on with the Bill, surely we had pressing business enough without amusing ourselves with a sham debate? Then there was the Inter-State Commission Bill, which was one of the marvels of draftsmanship; that Bill, if it is still preserved, will be a monument of incapacity for all time. Apparently it was drawn by some one who had lived, first in the United States, and then emigrated to the Sandwich Islands; for it was drafted in absolute disregard of the state of things which exists in Australia. That Bill has also gone to oblivion. There was another abortive attempt at legislation on an important subject which led to a waste of time. Then we had a great measure which might have received a better fate, because it was associated with visions of vast employment to tens of thousands of stalwart iron moulders. I refer to the Bonus Bill. In reference to to that Bill, we had a series of manœuvres in which, perhaps, my own party played a

not unimportant part, but a part which they were justified in playing, because from our point of view, while some of us are not altogether opposed to a system of bonuses, we are absolutely opposed to any system which is associated with a tax on iron, the raw material of nearly all the industries of Australia. And many protectionists, as well as free-traders, take a strong view in reference to this matter. But whatever our views are, surely the Government, who attached enormous importance to this measure, should not have allowed it to be kicked about the Chamber like a football. I cannot conceive of a more humiliating climax to the action of the Government in reference to this measure of public policy, than the picture of the Minister for Trade and Customs sitting down in the graveyard over his own dead Bill. I do not wish to say that the labour party, in taking the course they did, had any desire to kill the Bill. I do not think they had that desire, but rather that they are honestly in favour of a Bill which commends itself to their view. The labour party, however, felt strongly about the measure, and they knew the course they took would kill it for this session, though, as I say, I do not think that they wished to kill it altogether. However, that presents another instance of a large amount of public time being wasted without any definite satisfactory result. There are a number of other matters with which I will not take up the time of the committee. Honorable members will admit that I have dealt with only important matters—I do not wish to go into detail on the present occasion—but the public have a right to complain of the vacillation and confusion of purpose which have marked the administration of the Government in this Chamber. The next matter to which I wish to refer is also one of importance, namely, the visit which the Prime Minister has paid on behalf of the Commonwealth to England in order to be present at the coronation of the King. We were all glad that Australia should be represented on that occasion, and we were all willing to enable the Prime Minister to play his part worthily in connexion with the matters which have arisen in conference with the great statesmen of the mother country. I think the Prime Minister's attitude in London on public affairs has, upon the whole, been a judicious one. The right honorable gentleman has pretty fairly reflected

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of the people whom he represents. The more satisfaction in making that point, from the fact that some years under similar circumstances, I took singularly like that taken by the Minister. The fact is that a real Australian representative has very much to distinguish between visionary ideas to improve a state of things which looked marvellously well in practice, proposals which bear on them the aspect of promise of real good to the Empire. I all know, when the attitude which a man has to take is somewhat of a character, no statesman can take attitude more happily, or in more apt language, than my distinguished friend the Prime Minister. It is only fair to say that the right honorable man fully lived up to his reputation in his explanations which he made on many occasions. I have observed, however, that he has proceeded across the American continent he seems to have undergone a transformation. I think our worthy friend, the Minister for Defence, seems at last to have made an impression on the Prime Minister, because some of the remarks of the latter in Canada are of a more certain character than those he made in London. I remember that on the occasion of the departure of the Prime Minister there was a great banquet in Melbourne and the Minister for Defence made a speech, which was very characteristic in that he thought there were too many captains in the Federal Ministry. I know that is true; but the Minister ought to remember that he, too, was once playing captain during his misadventure in the mother country. Even when all members of the Federal Government were gathered together, each of them in his own captain's part, and each of them in his own statements, apparently with the sanction of authority, which were also contradictory. We must make allowances, in view of what transpired in the Ministry before the departure, for what must have appeared to English statesmen a rather remarkable state of things. I would like to say, with reference to all the ambitious schemes for constituting a union of the different self-governing colonies in the Empire, that I have yet to see evidence of one which possesses even the elementary quality of common sense. I am as anxious as any man in public life can

be that in every sensible way we should draw, not away from, but nearer to, the centre of Imperial power. But that must always be done in such a way as to improve our present relationships instead of disarranging them. Until some scheme is submitted which promises well, we need not waste our breath upon all the projects of which we have heard. It has occurred to me that the independent orbits in which the great communities assembled under the British Crown revolve, whilst perhaps remote one from the other, all work harmoniously in the great scheme of the British Empire, and those who wish to bring these mighty forces into closer relationship might easily find that discord, instead of peace, might be created, and that instead of mutual self-respect and self-restraint the less amiable forces of political life might be let loose upon the Imperial tie. There is another project less ambitious than that—and more tempting—which seeks to federate the British Empire, at any rate, in matters of trade. That project is one which should always be seriously considered; but again I have to say that neither from the point of view of the British nor of the colonial people have I yet seen the outline of a scheme which could be seriously discussed. Perhaps we might find it possible to agree to such an arrangement—I do not think so—but, certainly our difficulties as to that would be as nothing compared with those which would assail the problem of political federation. There is a still more practicable and more attractive proposal, upon which the Prime Minister has pronounced himself favorably, namely, that the self-governing colonies should in their scheme of customs duties differentiate between British and foreign products. That seems a more manageable scheme, and I must say that if we are to carry out a protective policy one must have a strong inclination to so temper that policy as to make some difference between the products of the mother country and those, for instance, of Germany. But whilst I should be prepared to consider any such proposal—as I was in 1897—I confess that in view of the greater knowledge which has come to me since then, and of the marvellous development of markets for the raw products of Australia in foreign countries, we should require to study our position very seriously before embarking upon even a very humble project of that sort, because if we did enter upon it we should practically close

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the great foreign markets against those products. Even the most simple proposal, therefore, is fraught with very grave considerations, and Parliament never did a wiser thing than when it insisted that whatever else the Prime Minister did, he should do nothing that could be supposed in honour to bind this Parliament. Going away from that question I come to another, to which some honorable members do not perhaps attach as much importance as I do. There has been, I regret to say—and I have not, as my right honorable friends in the Cabinet know, vexed them in connexion with this matter—an altogether unnecessary delay in what, to New South Wales, is a very serious subject, namely, the selection of the federal capital site. The most recent proposal in regard to this matter, whilst bearing upon its face the appearance of a desire to expedite its settlement, only serves to point the strong criticisms which have been levelled at the Ministry by the State which I have the honour to represent. The Federal Constitution came into force on the 1st January last year. At that time the Government knew very well that it was their duty to set about furnishing this Parliament with the fullest and most complete information upon the subject. We are all aware that New South Wales appointed a very able man to make inquiries in regard to the most eligible site, and the result of those inquiries is well known. I do not suggest that this Parliament should be satisfied with the report presented from that source; but I do say it is a subject for remark that, after 21 months have elapsed from the establishment of the Federation, and after members of both Houses have inspected various sites in New South Wales, a proposal should now be made to appoint a committee of experts to collect information. It is another phase of the unhappy knack which the Government have of putting the cart before the horse. Would it not have been a more prompt and sensible course for the Government to appoint this committee fifteen months ago, so that when honorable members visited the sites they would have been in possession of all the information which the Government could offer them? Considering the resources which we possess in the way of salaried experts in the Commonwealth and States services, I view with apprehension the bill which will be sent in to the Government in connexion with the investigation of

Mr. Reid.

the six professional experts proposed. I have no desire to deprive professional men in a dull time of remunerative employment, but I do think that it would easily be possible to obtain, either in the Commonwealth or States services men of the highest capacity, who are perfect authorities upon such matter-of-fact questions as drainage, water supply, building materials, climate, physical conditions, and soil. The truth is that the real difficulty connected with this question is one which cannot be solved by experts at all. This Parliament is not to be told that it cannot choose a proper site for a federal capital. Of course we want certain information to guide us in arriving at a decision, so that after having chosen what seems to be an excellent site, we shall not discover that it possesses certain drawbacks. That information, however, should have been ready months ago. I must, in all fairness, confess that I have seen no evidence of any desire on the part of my brother members from the other States to act unfairly in this matter. The question is one which in the initial stage is absolutely in the hands of the Government, and until they make up their minds to bring us up to the point of choosing a site, the House can do very little. But I view their latest proposal with suspicion, because I think that we can get all the information that we require in a cheaper and more expeditious way. I wish now to deal with a matter which calls for some remark at the present time. I, for one, do not suppose that there is any man who took any part in the accomplishment of federation who has not viewed with deep concern the marked change of feeling which has spread over certain parts of Australia in reference to this new-born union. To a certain extent such discontent is inevitable. To a certain extent it is unreasonable. To a certain extent it springs from causes with which federation, federal Ministers, and federal members have had nothing whatever to do. But, whilst making all these admissions, it is undeniable that mistakes have occurred which might have been avoided, and which have tended to fan this feeling of discontent. I think that feeling is more marked in Queensland and New South Wales than it is in any other part of the union. So far as Queensland is concerned, I remarked with surprise at the time of the visit of Ministers to that State—knowing, as I did, the views of Mr.

of the people behind him—friendly relations which existed between the Government, which was sworn to protect coloured labour, and a Government sworn to destroy it. I could not understand how it was that Mr. Philp, whose views are in entire accord with the Opposition, was so inclined to support the Ministry as he was.

MR. ARSON.—He did not think that I was in earnest about the kanaka question.

MR. REID.—I feel sure that the two who visited Queensland would be in the world wilfully to create a depression either in the mind of Mr. Philp or any one else. At the same time I am evidently a degree of amiability about the Ministerial trip which has left me with a bitter taste in the mouth now. It is inevitable that there should be differences of opinion upon this question. My surprise is that the Queensland statesmen attached such vast importance to the matter as they apparently do—did not give me my example by making conditions of the deed. If they had realized that the interests of Queensland are so intimately bound up in the question of the employment of coloured labour, their duty to that State at the time the matter might have been different, was to make a proposal which would have allowed us to know exactly what was expected.

MR. COLM MCEACHARN.—They should have done as Western Australia did.

MR. REID.—I have not considered that, but the Queensland Government, the people who believe in the coloured labour, knew what the mind of the Government was about it. It was absolutely certain that no Federal Parliament would have allowed labour to strike its roots in the Australian soil. There has been no question about that. I should always have expected to deal gently and patiently with the immediate personal interests of the masses of people in any part of the Commonwealth, because I think that the bringing of this union into being a little more towards the States will not be a thing to display, and will often do a great deal of good, but as to the ultimate result there should have been no doubt.

MR. ARSON.—Was not generosity dis-

MR. REID.—I am not going behind the Act which was passed. That part of the dissatisfaction with federation must recoil upon the Queensland statesmen themselves. But there is another matter in regard to which the people of both Queensland and New South Wales have very grave reasons for complaint. The people of New South Wales have several reasons for grave dissatisfaction. One of the most serious, although a small one, is that, whilst Ministers of State sit here and introduce laws vitally affecting the industries and the welfare of every man, woman, and child in the State, not one of them will stand upon a public platform there to vindicate the policy and the acts of the Government. A certain amount of strategy is excusable and even justifiable; but as the Minister for Home Affairs can find courage enough to meet the ladies of Sydney to receive a snuff-box from them, and has time to attend to interesting little family ceremonials of that sort, he is deprived of any excuse for not facing the people of the State upon public questions.

MR. SAWERS.—Why should he go to Sydney more than anywhere else? He has faced his own constituents.

MR. REID.—May I remind the honorable member that there are promises of a visit, now several months old? Whilst the first duty of a Minister is to his constituents, that should not debar him from visiting the people of other parts of the country as well.

MR. SAWERS.—No great English Minister ever went to address an audience in London: they always say what they have to say to their own constituents.

MR. REID.—But a great English Minister who promised to go to London would go there. It is only a small matter, but it emphasizes a fact which I am about to mention, that an immense amount of taxation has been placed upon the people of New South Wales against their will, and in conformity with principles which they consider mischievous and injurious. Taxation is bad enough at any time, but it is doubly objectionable when it proceeds from the adoption of what one considers pernicious principles. That is one of the reasons for the dissatisfaction of the people of New South Wales. There is another reason which is common to them and to the people of Queensland, and it stands out as an eternal rebuke—I had almost said disgrace—to the Administration. In Queensland and New South Wales we

have two great States which contain one-half of the population of the Commonwealth, and contribute one-half of its revenue. The people of those States have been exposed for months, and even for years past, to a series of bitter and disastrous hardships, and at no time has the outlook been more serious than it is now. The conditions which exist strike at the heart of that settlement on the soil to promote which our statesmen have laboured in the consciousness that it is only by planting the seeds of such settlement that a sound and healthy nation can be produced. The main sources of wealth of these two great communities are exposed to the vicissitudes of drought and famine. The people came in their distress to the Commonwealth Ministry, to endeavour to obtain some slight relief. Their request was replied to by the Acting Prime Minister, in one of those beautiful answers which make him at once the most brilliant and the most unsatisfactory politician in Australia. The poor people who had come hundreds of miles to see him were so impressed with his humanity and tenderness, and desire to help them, that they went back rejoicing. There is nothing more cruel than, when one cannot do a thing, to create false hopes in the minds of those who ask that it shall be done. The clear mind of the Attorney-General knew well whether what was asked for could or could not be granted. The Ministry have refused the prayer of the great distressed industries of New South Wales and Queensland. Day after day, and month after month, the cry of the smallest industry in Bourke-street or Footscray was listened to and championed, when the placing of burdens upon the people of Australia was involved; and the suffering, distressed, and desperate people upon the plains of Queensland and New South Wales thought, and naturally thought, that the power which was able to mould a national policy to meet the case of a few individuals would be generous enough to come to the rescue of tens of thousands of struggling families. In the United States of America, hide-bound as the national policy was by protection, when a terrible calamity overtook Boston, and it was laid in ashes, the Government threw aside their fiscal views, and principles, and tariffs, and allowed the people of that State to import building material free. When great calamities come upon a

people, there is no longer time for lawyer-like statesmanship. If the laws prevent the giving of relief, statesmen must at such times rise above them. I make these remarks not as a mere idle criticism of a thing which is done; I appeal to the Government, in view of the awful sufferings which are still being endured and which are destroying, not only the wealth of the people of the two States I have named, but the whole fabric of Australian prosperity, to do something to relieve this distress. We are now one family, and the distress of one member of the household should be as keenly felt as that of any other member. A Parliament which could do all that has been done for the protected industries in this State could do something for the unprotected settlers whose wealth is vanishing, and whose sheep and cattle are dying while the Government charge £1 a ton at the Custom-house upon imported hay and chaff. The Minister for Home Affairs, with that imperfect view of political economy which makes him one of the most entertaining speakers upon fiscal questions, when dealing with this question, produced a little return from the Custom-house, showing what a comparatively small amount has been received from the duties to which I refer, and he used that fact as an argument to prove that the whole thing is a sham.

Sir WILLIAM LYNE.—It is. I know where it originated.

Mr. REID.—I had nothing to do with it.

Sir WILLIAM LYNE.—I know that; I am not blaming the right honorable member.

Mr. REID.—I do not always wish to multiply the difficulties of the Government, and therefore I have said very little about the matter until now. But as these conditions still continue, and the sheep and cattle which represent the accumulated fruits of the industry of the men whom we have all desired to encourage and help, are dying throughout Queensland and New South Wales, the Government should do something. They have missed a great opportunity to make the federal power a beneficent one. If they had responded to the cry for help, the people could have looked upon the Commonwealth as having a heart. Talk not to me about the difficulty of preventing abuses. The Ministry find it easy enough to catch in the smallest mesh the most honest traders in the Commonwealth.

ment which can do what they way of prosecutions, and the of pains and penalties, might their ingenuity in devising safer which relief could be afforded storaliats and farmers without

MON.—It is better to have Cus-ecutions than to allow secret as, as in the past.

REID.—I do not deny that, alto-I shall refer to the matter again. throughout Australia were told, wing periods of platform orators, hey entered into union, miserable s between Victorians and Queens-ould disappear, that they would ion, and that the misery and mis-any part of the Commonwealth elt at its extremities. But at the of calamity they find that, he Commonwealth Government is o tax, it is not ready to help. It rgued that the people elected this d the Senate, and therefore no e said about the matter. But w that they had to vote more or y at the first elections to this Par-At the next elections, they will opportunity to exercise a more in-ote. The parliamentary machine working, Acts have been passed, ve been established, and we may nd-by to have a more intelligent ment from the electors upon s of difference which separate us. h to leave those matters and turn oject which is more immediately

I do not apologize to the com- having referred to the question a I have just been dealing. This er constitutional opportunity for my position to avail himself of, ore, I do not hold myself under ach for the fact that I am now nning to address myself to the dministration of the Government. ish to be fulsome—I do not think e generally find me paying com-and, perhaps I do not pay as many —but I never feel otherwise than ly frame of mind in reference to of my right honorable friend the

It is a pleasure to be able to ence with reference to everything harl, and, therefore, in regard to inous statements he has made bitter criticism to offer. There

are one or two things to which I think it well to refer; but they will be matters of importance. In the first place, I think that honorable members on this side of the House are justified in congratulating themselves upon the more or less successful efforts they made to reduce the burdens imposed by the Tariff. We were told over and over again that the effect of this vote and that vote would be to upset the financial calculations of the Government. When the tea duty was not passed we were assured that it would have a most serious effect upon the finances of the Commonwealth, and of the States; but in spite of the reductions made, amounting to £1,000,000, or £1,500,000, the Treasurer told us on Tuesday, that this Tariff, reduced as it was, would give him something like £600,000 or £700,000 more than he expected. My right honorable friend expected to receive £8,000,000 when he delivered his first Budget, but he has received nearly £8,700,000 gross, so that in spite of all our reductions of the public burdens, the Tariff has brought into the Treasury £700,000 more than he expected. Considering the information at at the disposal of the Government and the imperfect facilities at the command of the Opposition for obtaining information or arriving at opinions, I think we are entitled to take some credit for the fact that more than one member on this side of the Chamber has, against the official calculations, made so faithful a forecast of the results of the Tariff. We all said that the Tariff was cast on lines that were absolutely reckless as to the revenue it would yield, and now we find that the Treasurer expects to receive for next year something like £9,000,000.

Sir GEORGE TURNER.—That includes the Western Australian special Tariff.

Mr. REID.—I do not wish to include that. The Treasurer expects to receive under this Tariff £8,830,000. My honorable friend made allusion to a remarkable fact, to which he very properly called our attention. He pointed out that if the revenue continued to come in at the same rate as during the first two months of this year, July and August, the Tariff would produce £9,600,000 for the twelve months. I admit that we cannot place too much reliance upon the experience gained in the first two months of the year, but I think my right honorable friend tried to discount

that fact too much. It is a remarkable circumstance that, on the actual receipts for two months, the total for this year would amount to £9,600,000. From this it would appear that, after all, the Tariff is too big, and that too large an amount is being taken out of the pockets of the people. If the surplus could be devoted to the assistance of Queensland and Tasmania, there would be some sense in collecting this large amount, but it goes to the State of New South Wales, which, of all others, really ought not to want it. With its enormous revenue New South Wales does not want the additional amount which it now receives through the Customs. In 1900 the whole of the States derived from the Customs, including intercolonial duties, £7,760,000. The revenue derived from the Customs last year, without Inter-State duties, showed an increase upon this amount of £928,000. New South Wales receives from the increase of Customs duties £1,000,000, but of course she only takes her own money. The Treasurer's Estimate for next year will make a difference of £1,200,000 between the year 1900 with intercolonial duties, and the year 1902-3 without them. Of this New South Wales will receive increased revenue to the extent of £1,500,000 so that we have the spectacle—which I admit the Treasurer could not help—of a larger amount than this increased revenue being paid to the one community which has fought against the high Tariff duties, and not to those States whose finances are deranged. I desire to say, with reference to the finances of Queensland and Tasmania, that honorable members will always be ready to support the Treasurer in every conceivable way in dealing with any difficulty that may arise in connexion with them.

Mr. CAMERON.—The right honorable gentleman knocked off the tea duty.

Mr. REID.—I was just going to remark that there is one method of meeting the difficulty of which I could not approve. I will not impose taxation upon people who do not want money in order to find revenue for those who do. Why should we tax the people of New South Wales to the extent of £1,000,000 more than they ought to be called upon to pay, because some other State wants money?

Mr. CAMERON.—Why should we reduce the fodder duties, as was desired by the honorable and learned member?

Mr. REID.—I do not offer a stone instead of bread.

Mr. CAMERON.—The right honorable gentleman does not offer anything.

Mr. REID.—I am not in a position to do so, or I might be more popular.

Mr. McCAY.—When the right honorable gentleman supported the Constitution at the referendum, he said that the inevitable result of the financial clauses would be to secure to New South Wales a large surplus of revenue.

Mr. REID.—I did, I admit; but I also pointed out that if we attempted to meet the financial difficulties of Tasmania we should require an Australian Tariff which would produce £12,000,000, and that such a thing would be impossible. Just conceive the cruelty of imposing two or three millions taxation upon a large body of people in order to give 10s. or £1 a head to 170,000 people. Such a proposition is absolutely monstrous, and it is only those who look upon taxation as a method of becoming rich who could enjoy such a prospect. There are a large number of people who think that the straightest road to wealth is to be found by imposing taxation on the people, and from that point of view a £20,000,000 Tariff would be a grand affair. I believe that taxation generally involves the payment of cash, and that this cash has to come out of some one's pocket.

Mr. THOMAS.—And yet the honorable member for Wentworth voted for the tea duty.

Mr. REID.—I hope every public man will be left to stand on his own merits. My honorable friend the member for Wentworth voted as he believed to be right, and he has the same privilege as I have in that respect. Now, there is a matter which seems to me to be of very great importance. I do not find sufficient information in the documents before us with reference to the very interesting matter of the sugar duties. As I understand from the Treasurer's statement, a duty of £6 per ton is to be collected on imported cane sugar, an excise duty of £1 per ton is to be paid on sugar grown within the Commonwealth by means of white labour, and an excise duty of £3 per ton is to be collected on that grown by the employment of black labour. Among these returns, which are all valuable, there is nothing to show how the sugar duties worked out last year.

GEORGE TURNER.—They were not in on. The excise duties came into on the 1st July, and I gave my the course of my speech as to l happen this year.

D.—Then there are no particulars in reference to that matter?

GEORGE TURNER.—No; it is practically work.

D.—Then I shall deal with the next year, which, I presume, are some expert calculation. I wish ow the sugar duties work out, with reference to the views honorable members who clamour duty. The people will be on to pay directly and in-a connexion with the sugar 000,000 per annum. Surely if such heavy duties upon sugar we to impose a duty on tea.

MR. REID.—£40,000 per annum has away from Tasmania for the sake g a white Australia, which is

D.—I hope my honorable friend ber that when I had the power I e ports of New South Wales to that Tasmania produced. That a might at least be remembered to

With reference to the sugar item, point out the enormous burden imposed upon the masses of the first of all the Treasurer expects 00 tons will be imported next which duty will be paid amount- 50,000. Then there will be the y of £1 per ton upon 40,000 tons grown locally by means of white That will yield £40,000. That out of the pockets of the sugar- against the import duty. Then ted that £165,000 will be realized excise duty of £3 per ton upon ns of sugar grown by means of our. The money paid by the rers in the form of excise duties o into the pockets of the people, ll go into the Treasury. There- excise duty cannot be set against 000 paid upon imported sugar. we know that those who produce articles recoup themselves by in- their price pretty well up to the e import duty. We may suppose rice of the 40,000 tons of sugar h the £1 excise duty is paid will sed beyond the amount of the

excise to the extent of at least £4 10s. per ton, which the general public will have to pay. Similarly, the sugar upon which the excise duty of £3 per ton has to be paid will be increased in price to the extent of £2 10s. per ton over the excise duty, and this the public will also have to pay. Altogether, therefore, the consumers will not only have to contribute to the revenue, but will have to pay a very heavy increased price upon the locally grown sugar, and directly and indirectly the burdens imposed upon them form a pretty fair offset against the tea duty. However, my vindication for not having supported the tea duty lies in the fact that the Tariff, after all our reductions, has yielded £600,000 more than the Treasurer anticipated.

MR. G. B. EDWARDS.—The whole of the tea duty would go into the Treasury, but the whole of the sugar duty does not.

MR. REID.—A tea duty would probably be more sensible as an economic arrange- ment, but we had a very mixed problem in connexion with the kanaka question to deal with when we allowed the sugar duties to pass. Of course, New South Wales derives a certain share of the benefit from the sugar duties, because she produces about one-fifth of the total sugar grown in the Commonwealth. Queensland gets the other four-fifths. There is another matter to which I wish to refer. There are three items in the Estimates for next year, which, I think, are worthy of atten- tion, as they are very important. I refer to spirits, narcotics, and sugar. I am refer- ring only to the customs duties, and I am leaving out of consideration the excise duties. The Treasurer estimates that he will receive £2,074,000 next year in the form of customs duties on spirits. If we take the receipts from the 9th of October to the 30th of June, and extend them to cover twelve months, instead of the broken period, we shall be able to arrive at a fair estimate. The receipts for the broken period were £1,313,000. That was for 265 days. I make an addition at the same rate for 100 days, in order to make up the full year, and that brings it out at £1,808,000, which is £266,000 less than the estimate for next year.

SIR GEORGE TURNER.—The rate has been increased. We have also to remember that Victoria was loaded up to the hilt, and last year paid practically nothing under these duties.

Mr. REID.—No doubt that has been taken into account.

Sir GEORGE TURNER.—Victoria will account for nearly the whole of the difference.

Mr. REID.—To my mind, it is a subject of congratulation, because I prefer these lines to many others. I suppose the Treasurer has fully weighed the fact that upon the basis of receipts for the broken period, 9th October, 1901, to 30th June, 1902, he estimates to receive some £962,000 for narcotics. The actual receipts on the same basis for the twelve months would be £752,000, so that the estimate shows an increase of £210,000.

Sir GEORGE TURNER.—That increase is to be accounted for by the loading up which took place and the increased rates we have imposed.

Mr. REID.—Then the point has not been lost sight of.

Sir GEORGE TURNER.—No; the figures are fairly correct.

Mr. REID.—These two items represent an increase of something like half-a-million.

Sir GEORGE TURNER.—Victoria will contribute something like £40,000 under the duty on spirits, whereas we were collecting only between £15,000 and £17,000.

Mr. REID.—I am quite satisfied, but these figures struck me as being important. I come now to the only other financial matter with which I desire to deal. I refer to the military estimates. My right honorable friend will readily understand that when I was referring to this matter on Tuesday I was dealing with documents that were very confusing. I have since endeavoured to arrive at a clear view of the position, and although I have not yet completed my investigations, I can quite see that the return to which I referred, and which accounted almost within £1,000 for the amount to which I alluded, does not bear the complexion which I placed upon it.

Sir GEORGE TURNER.—The right honorable member fell into an error. He was comparing a return which was circulated last October with estimates that were circulated in April last, and failed to take into consideration another document which was also circulated last April.

Mr. REID.—I discovered that document later on at the end of the Estimates. I feel thoroughly pleased that the view at first presented has no foundation.

I have such absolute confidence in the Treasurer that I would take his word for far more than that matter, and it was a source of satisfaction to me to learn that my confidence in him had been justified by the result. I desire to give the committee a few figures relating to the military estimates, because if any retrenchment is to be effected, it is in those estimates that reductions can be made. I do not see what other opening there is for any substantial saving. In dealing with the military estimates, we have the satisfaction of knowing that we have an absolutely competent and distinguished practical soldier at the head of our force. It is entirely our province to decide how much money shall be given to the General Officer Commanding—how much money the necessities of the Commonwealth will allow us to place at his disposal—but in the midst of our fights over the Estimates we have this great and abounding satisfaction, that give him what we will, he will make the best possible use of it. It is only fair to say that of the General Officer Commanding. It is for us, however, to look after the expenditure to a certain extent, and I find that there has been a marvellous expansion in the cost of the military services. In the year 1895-6, when we had a separate administration and six different head-quarters' staffs, the total amount expended was £522,000.

Sir GEORGE TURNER.—Do those figures include the contribution towards the auxiliary squadron?

Mr. REID.—I think so. I am quoting from figures which the right honorable gentleman placed before honorable members in his first Budget statement. I know the agreement with regard to the Australian naval squadron was in existence, and I make these remarks subject to the possible qualification that the £522,000 did not include the expenditure upon the squadron. Let us assume that the £106,000 voted for that purpose was not included in those figures. That would bring the total up, roughly speaking, to £630,000. Notwithstanding the marvellous reduction of £175,000, the Estimates for 1902-3 still amount to £762,000, exclusive of the sum set apart for compensation. I do not think it is fair to include the amount set apart for compensation in the annual expenditure, because it is in consequence of the action of the Government in reducing expenditure that provision has to be made for it.

RECEIVED BY THE SECRETARY OF THE HOUSE OF COMMONS

MR. GROOM.—Has the right hon. member the figures for the year preparation?

MR. REID.—I think I can give the

MR. TURNER.—It is very difficult to get those figures.

MR. D.—It is a terribly mixed business. I was in office in New South Wales and never could obtain the figures re the naval service. I despaired of being able to get through all the intricacies of the accounts furnished by the department. I tried to knock off a certain amount, but when I had been supplied with the best estimate which the department could give, I struck off another

MR. TURNER.—But the department went on spending, and the right hon. member had to find the money.

MR. D.—No. They may have done so to a certain extent, but I should not have allowed myself to be practised largely. In reference to the naval service, I desire to point out a very ordinary fact which requires some close observation. The naval and military services are separately dealt with in the Estimates, and it is shown that, for the actual expenditure on the naval service for the year 1901-2 was £67,000, and of £21,000 has been made for the financial year. That means to the extent of 30 per cent. on the actual expenditure for last year the military branch of the service £67,000 was expended last year, and only £22,000 has been expended this year, which is equal to only 4 per cent. exclusive of cadets, there are 10,000 persons in the naval service, 10,000 of the cadets and members of the clubs, I find that there are still 10,000 in the military service. It seems to be a most mistaken policy to reduce naval service and to retrench it to the extent of 30 per cent., while only 4 per cent. is taken off the expenditure of the military branch.

MR. McLEAN.—The greater percentage is taken off the most useful branch.

MR. REID.—I heartily agree with my friend. In my speech on the second reading of the Defence Bill I laid the greatest possible emphasis upon the fact that whilst we are not yet ready to do anything of our own, we are, and always ready to have our men drilled in

the art of naval gunnery and naval service generally. What is the use of the Australian squadron in times of peace? What a marvellous amount of good we might obtain from it in such times if our men on shore—the naval volunteers—could be sent on board to be drilled and to acquire proficiency.

MR. L. E. GROOM.—That is one of the new proposals.

MR. REID.—If it is, I am delighted to hear it. Months ago, in my speech on the second reading of the Defence Bill, I strongly urged that the Australian squadron should be used in this way. I shall be delighted to hear that my idea is being carried out, but might I suggest to my right honorable friend that to take £21,000 off the £67,000 which the naval service cost us last year, and to take only £22,000 off the £612,000 expended on the military services, is a queer way of carrying it out? I do not see any friendly movement in that little business. I have no desire to deal with matters of internal organization—we have, as a rule, nothing to do with them here—but having regard to the broad aspect of the question, it seems to me there is no line of defence which is better worth cultivating than that which we call our naval service. It should have the utmost facility for drill on the vessels of the squadron which are lying idle, and I must say that I see no sense of proportion in the reduction which has been made in the two branches. Some information of great importance has reached me while sitting at the table in reference to certain views which we on this side of the House entertain on the fiscal question, and I desire to give the committee the benefit of it. I have obtained it from a source which is absolutely to be relied upon. It relates to the first result of the census returns, which, as we know, are infinitely more reliable than the statistics which are prepared annually from various sources. I do not wish to introduce controversial matters in regard to the fiscal question, but this information relates to a matter of so much importance that I think my honorable friends opposite will allow me to mention a few of the details. I have before me a statement, compiled from the New South Wales census returns for 1901, of the number of persons employed, the horse-power used, the value of machinery and plant, the wages paid, the

materials used, and the output of factories of that State in 1891 and 1901. Honorable members will recollect that from 1891 to 1895 we had a Tariff in New South Wales consisting of *ad valorem* duties ranging from 10 to 15 per cent. In 1895 I destroyed those *ad valorem* duties, and nearly all others, leaving only about half-a-dozen in existence. Thus, during the second half of the ten years covered by this return New South Wales was really under what one might call a free-trade policy. Of course, no country has an absolutely free-trade policy, because some revenue must be obtained through the customs. I have never taken up any other position; but the amount of revenue required to be obtained from this source is really insignificant in its interference with trade. In 1891 there were 47,958 males and females employed in the factories of New South Wales, but in 1901 66,135 were employed, showing an increase of 18,177 for the ten years. Those ten years have been in many respects trying ones in all the States. The male hands employed increased during the ten years from 42,728 to 54,461, a difference of nearly 12,000. The increase in the number of the male hands in ten years was actually 11,733, and of the female hands, 6,444, a total increase of 18,177. One of the brightest features of the policy of free-trade, which is said to grind down labour, is shown in the fact that in New South Wales, the increase in the number of male hands is larger, and the increase in the number of female hands is lower; and rightly or wrongly, I look on this as a matter of great importance. The value of the materials used in the factories of New South Wales was £8,172,383 in 1891, and in ten years it increased to £13,815,100, a difference of £5,642,717. In 1891 the wages paid amounted to £4,272,704, and in 1901 to £4,943,079. The output in 1891 was valued at £16,800,000, and in 1901 at £24,300,000, an increase of nearly £8,000,000. I now want to show the Victorian figures after thirty years of stimulation by public policy and taxation. I may say that I obtained these returns from Mr. Coghlan, the statistician of New South Wales. I wish honorable members to understand that the period covered by the Victorian figures is not from 1891 to 1901, but from 1890 to 1900; and this return I used some months ago when addressing meetings in Victoria. In 1890 the hands

employed in the Victorian factories amounted to 56,369; and in 1900 to 64,207, an increase of 7,838. But the value of the materials used in 1890 was £12,006,233, and in 1900 £11,766,874, showing an absolute decrease in ten years.

Mr. MAUGER.—One was a boom year, and the other a very bad year.

Mr. REID.—Was 1900 not a pretty good year?

Mr. MAUGER.—It is not to be compared with 1890.

Mr. REID.—However, a difference of millions could not have been made, though I give the honorable member for Melbourne Ports credit for having an answer for everything. It is startling that, under any circumstances, a period of ten years should not show an increase in the value of the materials used, seeing that in the case of New South Wales there is an increase of over £8,000,000. I now wish to deal with the number of hands employed in Victoria, and we must remember that the honorable member for Melbourne Ports says that 1890 was a boom year in Victoria, and, in considering these figures, he cannot employ that argument both ways. In the boom year of Victoria, the number of male hands employed was 47,596, and in 1900 they were 45,794; that is, there was a decrease of nearly 2,000 in the ten years. But the ladies flourished, the number of female hands increasing from 8,773 in 1890 to 18,413 in 1900. This is an enormous increase in the number of women and girls employed in the Victorian factories. Does that not point to the adoption of cheap labour?

Mr. MAUGER.—To what sort of factories is the right honorable member referring?

Mr. REID.—To the whole of the factories in Victoria. I shall have these returns sent to the newspapers in order that they may be placed more fully before the public. I do not desire to take up the time of the committee, but merely to mention the salient figures, which afford great satisfaction to me in connexion with the view I take of the fiscal question. I thank the committee for the patience they have shown during my rather lengthy remarks. There is only one other matter to which I desire to refer. I have to express the hope that the Treasurer will see the necessity of altering a statement in one of the returns which he laid before honorable members in his Budget speech. No one knows better than the Treasurer that in

Mr. WATSON.—That undoubtedly will be a convenient method. I am much obliged to the Treasurer for the clear and distinct sets of figures he placed before honorable members to enable them to arrive at a proper understanding of the finances. Unfortunately, in many of the States in the past—at any rate, in New South Wales—it has always been difficult to follow clearly the details which Treasurers in their Budget speeches have attempted to put before honorable members. There is one feature of the Treasurer's statement on which those who hold strong opinions upon the subject may congratulate him. The Treasurer has gone to a much greater extent than has ever previously been the custom in the States in regard to the expenditure of moneys out of revenue on works generally. There are a number of us in the House—and I trust that we may prove a majority—who believe that practically all these works should be carried on out of revenue.

especially while we have the revenue with which to enter on them. But even if we do not succeed in attaining that object, we may at least congratulate the Treasurer on the fact that, as against £116,000 which was spent out of revenue on works last year, it is this year proposed to spend £180,000. That is at least a step in the right direction. Personally, I cannot sympathize with the attitude which the Treasurer and the Government have assumed in regard to the balance of the expenditure on necessary works. While the Government estimate the Commonwealth surplus—that is, the difference between the one-fourth we are entitled to spend, and the amount which it is proposed to spend on the services of the Commonwealth—is £915,000, or approaching £1,000,000, they yet propose to raise a loan of some £500,000, in order to carry out works.

Sir GEORGE TURNER.—That would not be necessary if it were not for the bookkeeping sections.

Mr. WATSON.—Even if the bookkeeping sections were not there, probably the same considerations would weigh with some honorable members, and particularly with the Government, as to the necessity for the Commonwealth Parliament providing for the emergencies of the several States. I, for one, do not admit such a contention. Our business is to—as economically as possible, consistently with efficiency—carry on the affairs which the people of Australia have intrusted to us, and after that is done, to hand back to the States any surplus there may be. But as to attempting to set right the finances of the various States—as to making good any deficiency in the revenues of the States, as between what was received previously and what is received under the Commonwealth—that is no part of our duty. Surely it must be admitted that, where the operation of the uniform Tariff has resulted in lightening the taxation imposed upon the people through customs and excise, it is the duty of the States Parliaments to devise some means of making the loss good if the necessity for raising that revenue still exists. If this Parliament relieves the people of a certain measure of taxation, surely it cannot be contended that the whole of it is lost to the States. In Victoria, for instance, we have taken off the shoulders of the people an enormous amount of taxation through the customs, in addition to relieving them of the border duties.

Sir GEORGE TURNER.—But we have imposed duties in other directions. Victoria practically collects the same amount now that she did in 1900.

Mr. WATSON.—I do not think so. Taking the border duties and all other matters into consideration, I think that the Commonwealth Tariff is lighter than was the old Victorian Tariff. If that be so, surely the State Parliament ought to go to other sources of taxation to make good the revenue which it has lost through the removal of customs duties. It does seem to me that when this House is given an opportunity of expressing its opinion upon the Loan Bill, it should decide that whilst we have sufficient money at our own disposal from the one-fourth of the customs receipts within our control, we should insist upon public works being constructed out of revenue. There is one matter for which the Treasurer attempted to take some credit on behalf of the Government—I refer to the amount of retrenchment that has been effected in the Military department. In this connexion I find that I did misunderstand the position so far as the promise of the Minister for Defence was concerned. I find on refreshing my memory by reference to *Hansard* that the Treasurer was correct in declaring that the Minister for Defence had promised that the Estimates for his department should not exceed £700,000, exclusive of our contribution to the Australian Auxiliary Squadron.

Mr. REID.—He explained that the Estimates for last year were taken from the Estimates of the other States.

Mr. WATSON.—That is so.

Sir GEORGE TURNER.—In delivering my first Budget, I explained that I had no opportunity of going into those Estimates with a view to cutting them down.

Mr. WATSON.—I certainly understood, in common with a number of other honorable members, that the Minister for Defence had pledged the Government to a reduction of the actual expenditure from 30th of June last by £131,000—not to a reduction by that amount of the swollen Estimates of the previous year. The Minister for Defence himself admitted that of the £900,000 provided in the Estimates for that year there was £100,000 which could not possibly be spent, because the authority for its expenditure was not obtained in time. Had the House understood that the Government proposed to effect a reduction

£31,000, in addition to the which they could not expend, I think it would have been satisfied. I never dreamed that it was a reduction of £31,000 to which the Estimates were pledging themselves, but it appears that that was all they intended to do. Owing to the other work, I have had no opportunity of carefully going through this year's Estimates and the Budget statement. Looking at those Estimates in a general manner, it appears to me that the effect of retrenchment that has been effected is scarcely worth talking about. In the first place, no attempt has been made to minimize the gorgeous staff of the General Officer Commanding in Chief, to maintain, and which is out of all proportion to the number of men. Only in October last we heard of a retrenchment, from motives of economy, directed against the undue inflation of the Estimates which had taken place in the various States during the two previous years. But I ask by what amount the inflated Estimates have been reduced? The honorable gentleman, in his Budget of 8th October last, showed that the two previous years' the Estimates had been swollen in the various States by the following sums—New South Wales, £90,000; Victoria, £120,000; Queensland, £90,000; South Australia, £100,000; Western Australia, £15,000; Tasmania, £20,000, making a total of £335,000. Yet the Government propose to reduce the Estimates of last year by only £31,000.

MR. MAUGER.—How much is that saving in expenditure of the years which I mentioned?

MR. WATSON.—I defy the Treasurer to show a return showing how the Estimates have been saved.

MR. WATSON.—I shall give a few figures to show it has been saved presently. In 1900-1 a saving of £15,000 has been effected by reducing the number of men purchased, and the non-recurrent Royal reception accounts for a saving of £10,000.

MR. WATSON.—Upon this occasion the Estimates claim to have made a saving of £31,000.

MR. MAUGER.—If we take the 1900-1 Defence Estimates it really reduced by £18,000.

MR. WATSON.—That means that the Government have saved £188,000 upon the Estimates which, according to the Treasurer himself, had been inflated by £371,000. This is the far-reaching knife of retrenchment about which we have heard so much. I do not think that the Treasurer has any reason to be proud of the result that has been achieved. I would further point out that, although in New South Wales last year the actual expenditure was £209,000, the amount proposed for this year is £203,000, so that it is intended to effect a saving of only £6,000. As against that saving there has been a reduction in the vote for "contingencies" alone of £18,000, which means that in other respects there has been an actual increase in the expenditure of £12,000. Looking at the Estimates for the various States, it seems to me that in all of them, with the exception of South Australia, the whole of the saving effected has been accomplished by cutting out large sums, varying from £12,000 to £25,000, from "contingencies."

MR. MAUGER.—And by cutting down the poorly-paid men.

SIR GEORGE TURNER.—The votes for "contingencies" do not affect the poorly-paid men.

MR. WATSON.—I am not speaking of the naval forces, because I am aware that there has been some re-organization in that department. I do not pose as either a military or naval expert, but I say that the system which has been adopted closely approximates to that of rule of thumb. The Government have mostly relied upon the elimination of "contingencies" for their so-called retrenchment. That is the conclusion which I am forced to adopt from an incomplete examination of the Estimates. In New South Wales, I repeat, the saving upon "contingencies" amounts for £18,000, whereas the actual saving upon the whole department is only £6,000.

MR. L. E. GROOM.—But the money covered by "contingencies" has all been spent previously.

MR. WATSON.—That is so, but my point is that the Estimates do not reveal any careful plan of re-organization, such as we had a right to expect in view of the promise of the Minister for Defence.

MR. MAUGER.—It is a most unscientific scheme.

Sir GEORGE TURNER.—The only other alternative was to cut down the establishment vote.

Mr. WATSON.—By cutting down the establishment of the staff officers it might have been possible to effect large savings. In Victoria, the total saving effected upon the expenditure of last year is £18,000, despite the fact that the vote for "contingencies" has been reduced by £24,000. In Queensland, a saving of only £17,000 has been made, though the sum allotted for "contingencies" has been reduced by £20,000. In South Australia there has been an increase of expenditure of £275, which is due to the incursion of drill instructors. We have no particulars with regard to Western Australia, but in Tasmania the "contingencies" vote has been diminished by £3,000, although the total saving effected is only £500. I hold that we had a right to expect, in view of the promise of the Government, that these Estimates would have presented a well-thought-out plan for obtaining the best results from the large expenditure upon defence which the Commonwealth annually incurs. Then, another "saving" has been made by cutting down some of the essentials in regard to the maintenance of our military forces. For example, we have effected a saving of £15,000 by reducing the number of new rifles which it was intended to purchase, notwithstanding that a large proportion of our Australian military forces are at present armed with obsolete weapons. That is a form of economy which no reasonable man can justify. Where is the utility of training men in the use of arms, and of paying instructors, when, if an emergency arises, we have not a rifle to put into their hands? It is absolutely ridiculous, and until we are able to arm every man in the forces with the most up-to-date weapon, and to have a few rifles in reserve with which to equip those who may be asked to swell the ranks of our defenders, I am convinced that almost the whole of the money which we now spend upon the military is wasted. When the Defence Estimates come before the House in detail, I hope that I shall be afforded an opportunity of testing the feeling of the committee upon the question of whether more money should not be spent in providing reserves of arms and ammunition, and less upon the mere drilling of men who, in the absence of rifles, would not be

able to fight when the necessity arose. There is another matter in regard to which I thought we should have had some information. I refer to the desirableness of establishing in our midst an ammunition and, possibly, a small-arms factory. When the Defence Bill was introduced we were promised that the Government would take that matter into consideration, and lay some definite scheme before the House. There has, however, been no mention made of the subject, and we are as dependent to-day as we were eighteen months ago upon the outside world for the supply of munitions of war. I trust that the Government will take steps as soon as possible for the establishment of a manufactory such as I have referred to. There has been a considerable re-organization of the naval forces of the Commonwealth.

Mr. MAUGER.—Has there been re-organization, or merely an *en bloc* reduction?

Mr. WATSON.—There has been re-organization, at any rate so far as the New South Wales naval corps are concerned. There, the volunteer naval artillery has been abolished, the naval brigade has been augmented, and several out-of-date officers have been retired. But in Queensland, where the State Ministry, after having themselves increased the defence expenditure, are now crying out for retrenchment, the reductions made are not material.

Mr. L. E. GROOM.—There has been a reduction of at least £47,000 on the original Queensland estimates.

Mr. WATSON.—Yes; but during the two years previous to federation, the Queensland authorities increased their defence expenditure by £90,000, so that considerable retrenchment must still take place before we get back to the earlier position. Although the Queensland naval force is not much larger than that of New South Wales, they have there a naval commandant, a staff paymaster and secretary, an officer instructor, a surgeon, nine drill instructors, and other officers with high salaries, while in New South Wales there are fewer officers, and the salaries are smaller. The Minister some time ago attempted to make capital of his action in abolishing allowances, about which so much outcry was made by the public, and by members of this House. But I find that in almost every instance what has been done is to add the allowances to the salary.

COMMONS APPROPRIATION BILL

GEORGE TURNER.—The objection was that members could not ascertain remuneration is paid to officers with reference to several documents.

WATSON.—That was an objection, the important one was that allowing salary together made too large a claim for the work to be performed. That the committee will see the necessity of reducing the remuneration of officers to reasonable amounts.

MALLET.—Has Parliament power

WATSON.—It has been contended Parliament has no power to reduce the salary of a transferred officer, but the new reading of the Constitution is that, while a transferred officer in the Commonwealth service all the privileges which he enjoyed in the old service, he has been given no additional salary as his salary was subject to review by a State Parliament, it is also subject to reduction by the Commonwealth Parliament.

MR. COOK.—The increases have all been referred to the officers were transferred.

WATSON.—Not all of them. A New South Wales officers were transferred receiving salaries which were high. I do not think any court of law that we are prevented from reducing the salaries of Commonwealth officers whether they be in the military or naval service. Another complaint I have is that, although it is now many years since the Commonwealth Public Service Act was passed, the measure has not been proclaimed. Although there may be difficulties of administration prevented its early proclamation, difficulties should have been surmounted by this time. Apparently the officers are unwilling to find the money required to pay the minimum wage of a certain standing insisted on by Parliament.

GEORGE TURNER.—That is not so. It has been caused by the difficulty of getting the regulations.

WATSON.—Then why was not provision made in the Estimates to meet the cost of which I refer?

GEORGE TURNER.—Because when I asked them I could not obtain reliable information of the amount required, but I have since promised that, as soon as that

information is obtainable, I shall pay the money out of my advance vote.

Mr. WATSON.—As from July?

Sir GEORGE TURNER.—I see no objection to paying the increases from the 1st July last. I should like to explain that when I stated that the amount would probably be something like £36,000, I had in my mind the figures in the third column of a printed document, which I took to represent the total of the other two. As a matter of fact, the three columns referred to different matters, and I now find that the sum will be nearer £50,000.

Mr. JOSEPH COOK.—Is the Treasurer paying the yearly increments which were referred to some time ago?

Sir GEORGE TURNER.—Where the salary does not exceed £200, the increment will be paid at the end of this year. I promised that instructions would be given to make the payments upon the Estimates being laid upon the table.

Mr. WATSON.—I am satisfied with the promise of the Treasurer, and contemplate with pleasure the fact that officials who, for years past, have been struggling to live on a starvation wage will now be paid sufficient to keep them decently. I am glad that the estimate of the probable returns from customs and excise duties during the present financial year so nearly approximates the estimates which were put forward about March last by those who voted against the imposition of duties upon tea, kerosene, and certain other articles. The Treasurer has pointed out that there will be an inflation, amounting to about £250,000, consequent upon the provision in the Customs Tariff Act requiring the payment of duty upon States imports, which was not contemplated at that time. But, leaving that out of account, there will be a revenue of about £8,600,000.

Sir GEORGE TURNER.—We have not reached a normal year yet. Our Customs receipts will be decreased by the increase of manufacturing.

Mr. WATSON.—At the time to which I refer the customs and excise revenue was estimated at about £9,000,000, and I still believe, with all respect for the views of the Treasurer, who is, however, an extremely cautious individual, that unless the present badness of seasons is accentuated, the revenue will amount to about that sum.

Sir GEORGE TURNER.—I hope so.

Mr. WATSON.—I hope so, too, because I wish to see the condition of the people improve. The statement of accounts which the right honorable gentleman has put before us abundantly justifies our action in refusing to agree to the revenue duties to which I have referred. I trust that upon the consideration of the Estimates in detail the committee will insist upon a large reduction in the defence expenditure, and that this reduction will be carried out, not on the rule of thumb method which has hitherto prevailed, but that efficiency will be co-ordinated with economy in a proper re-organization of the forces.

Mr. PAGE (Maranoa).—The Treasurer last year promised to save £131,000 on the defence estimates, but that has not been done. The reductions which have been made in connexion with the Queensland forces have concerned chiefly the volunteer forces and the rifle clubs, while the highly-paid permanent officers, whose wings we wish to singe, have escaped reduction. That is not what the committee wanted. We wish to have the salaries of highly-paid officers reduced. The non-recurring expenditure provided for on last year's Estimates was £103,000.

Sir GEORGE TURNER.—To what item is the honorable member referring?

Mr. PAGE.—To the whole of the defence estimates.

Sir GEORGE TURNER.—I think my honorable friend is looking at the arrears.

Mr. PAGE.—I am not particular to a thousand or two. In addition to the non-recurring expenditure there is an item of £73,866, made up of a reduction in the Queensland military expenditure of £47,520, and a reduction of £26,346 in the naval expenditure. These three items make a total of £176,866. It is the easiest thing in the world to cut down expenditure under a retrenchment scheme of this kind. In the case of the naval forces, the number of men has been reduced, and the salaries of the highly-paid officials have been increased. In Queensland some officers are now receiving £100 per annum more than they were paid last year. When we come to the Estimates I shall deal with these matters in detail. With regard to the head-quarters staff, I see that increases amounting to nearly £10,000 are provided for, and I should like to know how this result has been brought about.

Sir GEORGE TURNER.—There have been no increases in salary over and above what were provided for last year. Some of the officers were on the staff for only a very short period.

Mr. PAGE.—I attended a review at Albert Park some little time ago, and the General Officer Commanding was surrounded by more officers than the Commander-in-Chief in England would be if he were reviewing 30,000 troops. There were seventeen or eighteen golden-spurred and cock-plumed roosters who were showing all the colours of the rainbow, and riding and prancing about on horses for the feeding of each of which we have to pay £50 per annum. The Minister for Defence told us that the allowance of £50 per annum for feeding officers' horses would be inquired into, but I find that the Estimates still provide for £50 for the feeding of each officer's horse, whilst only £20 per annum is provided for feeding each draught gun horse. The military staff at head-quarters ought to be cut down to about half the present number. In connexion with the artillery, I see that two officers are provided for, one being an "officer in charge of artillery," and another a "director of artillery." I have been an artillery man for many years, and I do not know the difference between these two officers.

Sir GEORGE TURNER.—The honorable member must understand that these appointments are only temporary, and that as the re-organization scheme is completed the officers who are not required will be transferred to other positions as they become vacant.

Mr. PAGE.—The re-organization scheme is all right, no doubt, but we find that nothing has been done with regard to the report of Major-General Hutton, which was issued on the 17th April, 1902. It is apparently being assumed by Major-General Hutton that Parliament tacitly agrees to the whole of his report. The Acting Minister for Defence, in replying to my question yesterday, said that the General Officer Commanding had stated in a minute that he never intended to convey the impression that the defence forces of Australia were to be available for service in other parts of the world, but I would refer honorable members to the paragraph in his report, in which he says—

(b) "For the defence of Australian interests wherever they may be threatened," it will be obvious that the first essential is the sea supremacy.

guaranteed by the Royal Navy, and that it is the possession of a field force, if undertaking military operations in any part of the world it may be desired by to employ them. The field force above in (a) could, if necessary arose, be made for this purpose.

Paragraph is capable of only one meaning, namely, that if the Empire were in any part of the globe, the Government could commandeer the our forces.

MCCAY.—I do not think the paragraph is capable of only that construction.

PAGE.—That is the construction which the people would place

MCCAY.—I think the General Officer commanding leaves the question to the Australian Government.

PAGE.—Supposing the Australian Government was not in session?

MCCAY.—Then nothing could be done.

PAGE.—The honorable and learned member would find that the military authorities would do what they thought fit, and sanction afterwards. When the Opposition was in England a few years ago, and there was some talk re the assistance which Australia could give to the old country in time of war, the right honorable gentleman said the kangaroo was all right so long as it was left alone, and that the people of Australia would have in him a good friend, and ally; but that if they attempted to put a collar and chain on him, they would find him a very rough and awkward animal to handle. We have had ample evidence of the capabilities of Australians as soldiers in connexion with the South African War. I was recently reading a magazine in which it was stated that the French and German military authorities arrived at the conclusion that a short and sharp term of service would be best to adopt for military training. They concluded that twelve months of effective drilling, free to a soldier from much of the barrack-room duties to which we have been accustomed, would be sufficient, and that a man could then go back to his work. What we want are citizen soldiers, and in Australia there are plenty of them. If anything were to-morrow which would endanger the Commonwealth, there is not one of the States but would shoulder its arms in order to defend our shores.

This brings me down to the crux of the whole question, namely, the rifle clubs. According to his report, Major-General Hutton apparently desires to make the members of rifle clubs reservists. He wishes to take the best shots out of the rifle clubs and attach them to some military unit for a certain term, and if he succeeds in this object he will make them soldiers, in the same way that are the militia men who become attached to the fighting battalions in Great Britain. General Hutton is bringing his scheme into operation daily. We have been told that the officers who are not required at head-quarters will find new positions when the re-organization scheme is complete, but we do not want any such scheme of re-organization as that. I should sack the whole lot of the head-quarters staff, and I should send Major-General Hutton's report back to him for reconsideration. When the General was appointed, we were under the impression that we were getting the best value for our money. I thought he was one of the most capable men in the Empire, and I find that he is—for spending money. If we let him alone he will land us in a queer mess. He would put the collar and chain on the kangaroo all right. Many years ago, Major-General Hutton, when speaking at a gathering of high military officers at Aldershot, indicated some of the features of his present scheme of re-organization, and he stated that if he ever had a chance he would carry it out. If we are fools enough to permit him to do so, we shall deserve all we get. Although I am as anxious as any honorable member to conclude the work of which we have had a surfeit during this long session, I hold that before we prorogue we should obtain from the Government some assurance with regard to their intentions in respect to Major-General Hutton's scheme of re-organization, and particularly with regard to rifle clubs. It is all very well for the Acting Minister for Defence to have reports going backwards and forwards, but honorable members want to know what position they occupy. I will oppose as strongly as I possibly can the introduction of militarism into this Commonwealth. That is one of the greatest curses that could afflict any nation, and we have only to point to the experience of European countries to see the injury that it works. It is time enough to bid the devil "Good-morrow" when we meet him, and if

a foe should land on our shores, we may rely upon it that our citizen soldiers would very quickly expel him. The Government have cut down the military Estimates, it is true, but the reductions have been made in a way that was never intended by the House. We have had instances mentioned in which volunteer officers who were performing certain duties for £72 per annum have been replaced by members of the General's staff at a salary of £600 per annum. The volunteer and militia officers should be encouraged to the utmost, because we shall have to depend upon them in time of trouble. If we had an efficient Imperial officer here, and the Empire became involved in war, his services would be demanded by the old country. We should be left practically to our own resources. For that very reason, I hold that we ought to encourage the militia as much as possible, and not maintain a highly-paid head-quarters staff.

Sir GEORGE TURNER.—I do not propose to address the committee at any length. There is no special matter with which we need deal now. I think it is much preferable that we should deal with the different divisions as we come to them, upon the understanding that on the first item of each division we may have a general discussion in regard to it. All I desire now to do is to ask the committee to pass the first item, and thus close the general discussion on the whole financial scheme of the Government. I wish, in fairness, to point out that if any honorable member desires to raise a question relative to the expenditure on the Senate, he should do so before this item is passed, but I do not think there can be any objection to it. After the item has been passed, I propose to report progress. The Minister for Home Affairs will then proceed with the motion for the appointment of a committee of experts to report on the suggested sites for the federal capital, and after it has been disposed of we shall proceed again with the Estimates.

Question resolved in the affirmative.

Progress reported.

FEDERAL CAPITAL SITES.

Sir WILLIAM LYNE (New South Wales—Minister for Home Affairs).—I move—

That, with a view to obtain necessary information that will enable the Parliament of the

Commonwealth to select a site for the seat of Government, a committee of experts should be appointed to examine and report upon sites in the following localities:—Albury, Bombala, Lake George, Orange, Tumut, in relation to accessibility, building materials, climate, drainage, physical conditions and soil, water supply with rainfall, general suitability, and such other salient matters as may be approved by the honorable the Minister of Home Affairs. Such report to be submitted to the Federal Government on or before the 30th of April next.

I am submitting this motion a little earlier than was apparently anticipated last night when a fierce onslaught was made upon the Government for failing to bring it on before. This is really the first opportunity which the Ministry have had to submit the question to the House. No doubt the motion relates to an administrative act, which might be carried out without a reference to Parliament, and the Government need not have approached the House until prepared definitely to submit one or more sites for final consideration. The Ministry desire, however, as far as possible, to take the House into their confidence in regard to every step which they take in this matter. Ever since the provision was inserted in the Constitution that the federal capital shall be in New South Wales, I have kept before me the necessity of dealing with this question at the earliest reasonable date. I say the earliest reasonable date, because it is quite impossible to rush the matter forward with that haste which some honorable members seem to think should characterize our actions. When we consider the length of time which was occupied in determining upon a site for the federal capital of Canada, as well as the time occupied by the United States of America in deciding whether Washington or some other city should be the capital of the Union, I think we can congratulate ourselves upon the fact that we are marching along at a fairly rapid rate towards a determination of this question. The leader of the Opposition took exception this afternoon to what he characterized as the delay of the Government in dealing with the selection of a site for the federal capital. He urged that the Constitution had been in active existence since January, 1901, and that although a year and nine months had elapsed since then, the Government had done nothing to secure a settlement of the question beyond arranging for and carrying out a parliamentary inspection of the sites. Surely the right honorable gentleman did not

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at upon the very day on which the were sworn in—before the election of the Commonwealth Parliament in place, and before the passing of legislation necessary in establishing the seat of the Commonwealth—should take active measures to bring the matter into life. I think it is rather to imagine that such a thing could be done. It was not until the Parliament met and dealt with other matters of great importance to the Commonwealth, which had necessarily to be considered, that we could think of introducing legislation. Certain financial and other matters were necessary for carrying on the Government, and these were first required, and we did not initiate this question until they were dealt with and breathing time given to the House. Certain sections of the public in Victoria have displayed a spirit hostile to the taking of steps to select a site for a capital, but that feeling has not been encouraged by any honorable member of the House nor by any member of the public. I think that up to the present the House has dealt fairly and in a spirit of moderation with this matter. In order to make an inspection of the various sites, the necessary funds had to be provided, and there was no serious objection from any member of this House, nor, as I can recollect, by honorable members, to another place to the voting of the funds. If there was any spirit of opposition on the part of honorable members, it would have been manifested in the House, but, as a matter of fact, the question of the selection of a site for the capital has been confined to a very large extent to the press. It has been asserted in a newspaper that the spirit of the Constitution is that the Federal Parliament should be removed from its present meeting place for ten years, and by another change should not be made for fifteen

as will be necessary for housing the Parliament. I heard the remark made yesterday by an honorable member that no notice should be taken of the boggy that large sums of money will be expended in the erection of palatial buildings for housing both branches of the Legislature. We should obtain a reasonably cheap and eligible building of good design, which will meet our requirements for the next 50 years or more. A still greater period may elapse before any extra expenditure will be necessary. There is no doubt that, as the Commonwealth grows in population, in power, and in wealth, there will be a strong feeling that we should have a model capital. The erection of a model capital would involve a very heavy expenditure. The city, however, will be formed by degrees. It will not be completed during our time, and perhaps not during the first century of the Commonwealth. After a site has been chosen, it seems to me that two or three years at the very least, and perhaps more, must elapse before we shall be able to obtain suitable buildings, and give that attention to the question of sanitation and water supply necessary to enable us to remove to what will be the future home of this Parliament. It is in that spirit that I approach the question this evening. I trust that the House will approach it in the same way, and with a desire to carry out the spirit and intention of the Constitution. It will be within the memory of honorable members that the provision specially inserted in the Constitution that the federal capital shall be in New South Wales, influenced a very large number of electors in New South Wales in voting for the Constitution Bill, and I am sure there will be no attempt to burke the carrying out of that provision. Exception has been taken to the method that has been adopted by the Government to bring this question to a head. I must be allowed to differ from those who find fault with our action in this respect. I think it will be admitted by honorable members that they have derived considerable information from their inspection of the various sites in New South Wales. They have obtained information not only as to the sites themselves, but as to the wealth and the character of the State of New South Wales. If, as has been urged, a committee of experts had been appointed to examine all the sites before

JOSEPH COOK.—In one case it has been asserted that the meeting place of the Government should never be changed.

WILLIAM LYNE.—I believe that statement has been published. No one expects the seat of Government to be moved away from Melbourne to some place in New South Wales at a moment's notice. A reasonable time must be allowed to select a site, and to erect such buildings

that inspection was made, great cost would have been involved. Honorable members will hardly realize the number of sites upon which the committee would have had to report. Speaking from memory, I think that no fewer than 45 sites were submitted for Mr. Oliver's consideration. Mr. Oliver eliminated many names from the list, but there still remained fourteen which were seriously considered by him. The investigation of the merits of the five sites by a committee of experts will involve some expenditure, but a very large expenditure would have been incurred in making a scientific investigation of the 45 sites submitted for Mr. Oliver's consideration, or even of the fourteen which remained after he had narrowed down the list. I am sorry that the parliamentary inspection could not have been a joint one. Had circumstances not prevented it would have been preferable for senators and members of the House of Representatives to have at the same time paid a visit of inspection. In this connexion, I must express my regret that a number of honorable members were, from various causes, unable to take part in either of the two visits. As to the honorable member for Gippsland, I know that he desired to go, but he thought that he might possibly not be able to get about so well as other honorable members, and that it would be better to wait until he could pay a visit by himself, or accompanied by a few other honorable members.

Mr. A. McLEAN.—I did not desire to go until the number of the sites had been reduced.

Sir WILLIAM LYNE.—In that idea I quite concur, and, as I said the other night, there is no objection to affording every facility to those honorable members, numbering, I believe, about seven, who have not yet had the advantage of inspecting the proposed sites. But there are other honorable members who, to my regret, did not embrace the opportunity of visiting the sites. I know that to visit New South Wales at the time was inconvenient to a number of gentlemen who come from distant States, and who, when there was a short adjournment, took the opportunity of resting in their homes after their arduous and constant work here. I hope, however, that those honorable members will yet take an opportunity of going over the sites, and forming an opinion as to their merits. After taking a bird's-eye view, such

as a visit of inspection affords, honorable members will be more able to grasp the scientific and expert details when these are submitted to the House. Several questions have to be considered in fixing the site of the federal territory: and here I may say that the committee which it is proposed to appoint will have no voice in the ultimate decision, that being a matter for the people's representatives. We shall have to consider climate, accessibility, and, amongst a number of other matters, one that is most important, namely, what is the prospective centre of future population in Australia? I wish to emphasize this point, because it seems to me that future populations will gather where there is good land and a good rainfall, and not on plains or other parts of Australia where the rainfall is very low. At the Adelaide convention a paper, prepared presumably by the statisticians of the various States, was laid on the table, giving an estimate of the populations of the various States in 1940 and 1941. According to that estimate there will, by that time, be a population of 7,500,000 in Queensland; 8,000,000 in New South Wales; 4,000,000 in Victoria, and the balance of 22,000,000 in the other States. From this it appears that 15,500,000 out of a total estimated population of 22,000,000 will be in Queensland and New South Wales, and, though the prophecy may not be realized to the letter, there is no doubt that the bulk of the population, following the rainfall and the good land, will be found in these two States. The experts, as the motion shows, will be called upon to report on the accessibility of each site, on the building materials at hand, on the climate, drainage, physical conditions and soil, water supply, rainfall, and general suitability, and any other matter which may be considered sufficiently important to refer to them. The first site which the Government have decided to submit for the consideration of Parliament is that of Albury, which, no doubt, will never be short of a water supply. Albury has good land, and the only objection raised, so far as I know, by the people in the mother State, is that this site is too far south, and too far away from the centres of population. I must say that I do not think the climate of Albury is so extreme as some honorable members seem to think. I lived in the district for many years, and my experience was that, with the exception of about

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ths, when the weather is very hot, is the best climate I have lived in. A site which must receive serious consideration, more particularly when we consider its water supply, climate, and the fact that it is about half-way between the two great cities of Melbourne and Sydney. A little further away is Lake George, which possesses a fine climate. The weather is rather cold here, though the same may be said of portions of Tumut.

MR. COOK.—Tumut is the prettiest town in New South Wales.

SIR WILLIAM LYNE.—Tumut is one of the prettiest and most fertile valleys in New South Wales. It will be noticed that there is no proposal in regard to the Murray, though, in my opinion, the most beautiful valley in Australia is to be there found—it is Tumut on a large scale—and I hope that later on the members will take the opportunity of visiting the district. Lake George is a beautiful spot, and possesses the great advantage of an inland sea.

MR. B. EDWARDS.—Which is a lake and a prairie for ten years.

MR. MAHON.—It is mostly swamp.

SIR WILLIAM LYNE.—Lake George is a swamp. No doubt, the lake is very dry now, and it has been dry before in the knowledge of Australia, as a rule, there is a depth of twelve feet of water over an area of five miles by fourteen miles. I have here a map which shows how Lake George could be a permanent and deep supply of water at all times; and, further, the Murrumbidgee River is not far away, and it is for the experts to say whether it is possible to divert that water from that river to the lake, or to utilize it for the benefit of any town or city in the neighbourhood. Here I may say that the inquiries of the experts as to water supply for Melbourne will also determine the same in connexion with Yass. Mr. MAHON's report speaks very strongly in favour of Yass as a federal capital site, and points out that the water supply is satisfactory. I have heard that a subsequent report is more favorable, though the question is not yet definitely settled.

MR. HENRY WILLIS.—Is Yass included in the sites suggested by the Government?

SIR WILLIAM LYNE.—No sites are suggested beyond those named, and I am now merely explaining the effect of the work which will be done by the experts in this particular neighbourhood.

MR. SYDNEY SMITH.—Why not get detailed information as to all the sites, so that honorable members may subsequently be able to judge of their merits?

SIR WILLIAM LYNE.—I do not think it would be wise to get detailed information in regard to every site. That would be equivalent to handing over the whole matter to a number of professional men, without Parliament exercising any discretion as to those sites most likely to receive attention.

MR. JOSEPH COOK.—What did the Minister mean by saying that the Orange site covered Bathurst?

SIR WILLIAM LYNE.—Bathurst and other sites are in a position quite different from that occupied by the sites recommended by the Government.

MR. JOSEPH COOK.—The Minister said that the Lake George site embraced Yass and Goulburn.

SIR WILLIAM LYNE.—If I said so I made a mistake, though Lake George may embrace Goulburn so far as water supply is concerned. I am not quite sure whether the fall of the country is from the Murrumbidgee towards Goulburn, but if it is, then, no doubt, the expert inquiries will cover both places in this connexion. I now come to the Bombala site, and have to say that Dalgety is not amongst the places which it is proposed to refer to experts.

MR. MAHON.—Why not?

SIR WILLIAM LYNE.—If all the sites are submitted twelve months or two years may elapse before we get any report, and that will mean great expense. Dalgety is, I believe, about 50 miles from Bombala, and, so far as I can judge, it is the only place from which a satisfactory water supply can be obtained for Bombala. The experts will have to visit Snowy River, either at Dalgety or some other spot, in order to ascertain whether or not a water supply can thence be carried to Bombala, and in that way they will, no doubt, be led to examine into the position of Dalgety.

MR. A. McLEAN.—Dalgety is not dependent on the Snowy River for water. There are several other rivers.

SIR WILLIAM LYNE.—But it has not yet been satisfactorily shown that Bombala

could command a permanent water supply sufficient to meet the requirements of a large city. In my opinion, a good water supply can be obtained only from the Snowy River. I may say that Dalgety, though it is a beautiful spot, is just underneath the coldest place in Australia. No doubt Bombala is cold enough, but I fancy Dalgety will be found out of the question, because I do not think that one-third of the members could be induced to live in such a climate. Even in summer time, when the wind blows over Kosciusco and the Bogongs, the weather is as cold as in the depth of winter in other parts of the State. I am not in any way attempting to "run down" Bombala, or to say that the weather there is so cold that people cannot live there, but I am afraid that people who have lived in hot climates will think twice before going to a place which may be found more trying than even the changeable weather we have in Melbourne.

Mr. BROWN.—Supposing that the committee of experts consider that Dalgety is preferable as a site to Bombala, what then?

Sir WILLIAM LYNE.—If they can show that it is warmer, we shall have to include Dalgety in the list of eligible sites. I have dealt briefly with four localities. Now I come to Orange. I have always recognised that the neighbourhood of Orange and the sites proposed at Bathurst and Lyndhurst are really part and parcel of the same area, and would have to be included in the federal territory if any site near the Canobolas were selected, otherwise the territory which is available at the latter place would be insufficient.

Mr. G. B. EDWARDS.—Has the Minister any reason to believe that the New South Wales Government will give the Commonwealth a larger area of Crown lands than that which is provided for in the Constitution?

Sir WILLIAM LYNE.—No, but I will refer to that question in a moment. There is no doubt, that Orange, Bathurst, and Lyndhurst, occupy an advantageous situation in relation to all the Australian capitals, and if a proposal which I submitted in 1885 had been adopted, and the railway had been extended from Cobar to Broken Hill, and a connexion had been made between Wellington or Dubbo and Werris Creek, there would have been practically a direct route to those sites from both Adelaide and

Brisbane, and it would have been impossible to overlook them. I understand that the Government of New South Wales is about to construct both of the lines to which I have referred, which will thus furnish us with a direct line to Brisbane. Honorable members will remember that when they undertook the last parliamentary visit of inspection, they left here by the express and reached Orange in time for breakfast. The distance between the two places is much shorter than is the distance from Melbourne to Sydney.

Mr. JOSEPH COOK.—It is 685 miles by way of Werris Creek to Brisbane.

Sir WILLIAM LYNE.—In addition to that, when the line is carried through to Adelaide, and later on to Perth, Orange will occupy a most unique position. Mr. Oliver, however, in his report, has questioned whether a sufficient water supply could be obtained there, which was one of the objections urged against Yass. I venture to think that expert examination would reveal that if it were required, storage accommodation could be made in the upper basins of the Macquarie River, sufficient to supply any town which is likely to be built within the next 500 years.

Mr. BROWN.—Has the Minister seen the reports of inquiries in that connexion which have since been made by State officers?

Sir WILLIAM LYNE.—No; but I know a good deal about Orange. When I proposed to construct a dam where the present water supply is located, it was urged by some that there was not a sufficient catchment area for the supply of Orange. I built the dam, however, and to-day, the Orange water supply is the cheapest and most effective to be found in New South Wales. Moreover, that supply comes from only a small portion of the area which would be required by the Government should a site be selected in that locality. I have endeavoured not to prevent any eligible site within reasonable distance from being considered.

Mr. SAWERS.—Oh, yes.

Sir WILLIAM LYNE.—No. I am coming to Armidale. Knowing the climate which obtains there, I am aware that it is fairly cold—almost as cold as Bombala.

Mr. SAWERS.—No.

Sir WILLIAM LYNE.—It is higher than is Bombala, and Ben Lomond, which is only a little further north, is one of the coldest spots in New South Wales.

rs.—I have lived there, and I than that.

LIAM LYNE.—At any rate, officials there have frequently the snow out of the way of the all the great advantages which undoubtedly possesses in the abundant water supply, good es, and a favorable climate, I t is a little further north than embers would be prepared to go. t it is in the centre of future ; but I do not think that we ly consider it at the present

NEY SMITH.—Has the Minister report regarding the prospect of sufficient water supply and good es in the vicinity of Bathurst ?

LIAM LYNE.—I can assure ble member that if, during the the committee's investigations, to the minds of those who are tent to judge that a further ex- of any particular locality is that examination shall take

ORD.—There is no territory Bathurst.

LIAM LYNE.—I do not desire im of Bathurst shall be lightly The country in that locality is and Bathurst will receive the n to which it is entitled. Now he question of what is required n with the land surrounding the al. Doubtless the anticipation ntion was that in some particular ncient Crown lands would be avail- which to erect the federal capital, e State in which it was located that land to the Commonwealth. doubt that New South Wales over to the Government the s in any neighbourhood that may , but it is impossible to get a rea of such lands surrounding lar site. The largest extent of ds is to be found in the neigh- f Canobolas and Tumut. There h at Bombala and Lake George. pression is that the Common- have to resume an area outside own lands required for the . It seems to me that in the nce a large sum of money to be spent in this connexion.

At the same time I believe we should be acting wisely in acquiring good land—even if we have to pay a fair price for it—in view of the increment which must take place consequent upon the building of a city, and the increase of population. Indeed, I think that if we obtain a sufficient area of good land, the rent roll will pay the interest and a portion of the capital involved in the construction of the public buildings of the future city.

Mr. G. B. EDWARDS.—If it is in the hands of an honest commission it will.

Sir WILLIAM LYNE.—The committee which the Government intend to appoint will be composed partly of the best men to be found in the Government service. But if the services of any good man outside are available, he ought to be appointed. Personally, I think that the committee should consist of five or seven members.

Mr. FULLER.—What are their qualifications to be ?

Sir WILLIAM LYNE.—They will require to be professional men of the highest capacity. They will probably be drawn from the ranks of engineers, of men who thoroughly understand the qualities of good land, of architects who will be able to supply us with information as to building materials and sites, and I think there should be one or two broad commercial men.

Mr. L. E. GROOM.—Will they act upon their own judgment, or will they take evidence ?

Sir WILLIAM LYNE.—They will act upon their own judgment, or they may take evidence if they deem it desirable to adopt that course.

Mr. McCAY.—I thought that the experts were to inspect the eligible sites and to form their own opinion of them.

Sir WILLIAM LYNE.—So they are. But the honorable and learned member must recognise that it would be impossible for the experts to do all the detail work which will be required to be done to enable them to form that opinion. I know very well that Mr. Oliver had to employ a number of men other than the two or three with whom he was associated in order to gain the necessary information.

Mr. JOSEPH COOK.—They were all selected from the State service.

Sir WILLIAM LYNE.—I do not know whether that is so or not, but I feel that in a matter of this kind the selection of these men ought not to be confined to the State

services. Without detracting from the intelligence of any civil servant, I could mention more than one case which shows the folly of adopting that course. I have in my mind's eye one instance in which designs of certain buildings had been prepared by the department, but these, when submitted to experts outside, were completely knocked to pieces within a few minutes.

Mr. JOSEPH COOK.—There is nothing in that.

Sir WILLIAM LYNE.—It shows that it would be very unwise to confine the selection of these men to the Government service. I think that New South Wales might credit the honorable and learned member for Parkes with having inaugurated in the Works department of that State a system which has proved very advantageous. He initiated the practice of calling for competitive designs whenever any very large national work was to be carried out. If honorable members recollect the designs which were forwarded in connexion with the erection of the Kenmore Asylum—and those also done outside for the Walker Hospital—they must admit that no designs approaching them have ever been prepared in the Government department of that State.

Mr. JOSEPH COOK.—The Minister still fondly lingers over Kenmore.

Mr. FULLER.—That work should have been given to the architect to carry out.

Sir WILLIAM LYNE.—I thought so at the time. What was done in regard to the Kenmore Asylum was to take the plans and use the brains of the architect, and to build it piecemeal, without his supervision. However, I do not wish to refer to that matter. I desire that in the selection of the federal capital site, and the subsequent construction of the federal capital, advantage shall be taken of the qualifications of men who have given special attention to kindred matters. Some time ago a very influential deputation, representing the architects, engineers, and other professional men of all the States, waited upon the Prime Minister in reference to this matter. I think, indeed, that they asked a little too much, because they practically wanted to decide the question of policy involved. I am, however, anxious to obtain the services of one or two of the best of those qualified to deal with each branch of this question—both private citizens and officers in State employ.

Mr. McCAY.—What is the justification for appointing a commercial man?

Sir WILLIAM LYNE.—I do not bind myself to the appointment of a commercial man, but I think that a man with business training often considers matters from aspects which professional men, whose minds move in certain grooves, altogether ignore.

Mr. McCAY.—Parliament would deal with the practical side of the matter.

Sir WILLIAM LYNE.—I feel that the opinion of a commercial man is often essential in dealing with a big matter like this.

Mr. G. B. EDWARDS.—Appoint a common-sense man.

Mr. McCAY.—Surely there are architects and engineers who are common-sense men.

Sir WILLIAM LYNE.—I do not think I need deal with the report and conclusion submitted by Mr. Alexander Oliver to the New South Wales Government. I practically appointed Mr. Oliver a commissioner to investigate the claims of the capital sites which had been put forward, and I have always looked upon him as one of the best and most painstaking men in the employ of that State. He has, however, only one mind; he could not give a report of so much value as could be obtained from half-a-dozen minds. His investigation was carried out before this Parliament came into existence, because I considered that the State should prepare the way to do what we are doing now. He recommended Orange, Bombala, and Yass. The Government have not accepted the Yass site, but they intend to set down for investigation other sites in addition to the Orange and Bombala sites. I feel that it is absolutely necessary that this Parliament, in coming to a conclusion upon the matter, should have before it the report of a commission appointed by the Commonwealth Ministry, and not be forced to depend upon reports and information furnished wholly by State officers. The motion has been moved to give an opportunity for the full discussion of the matter, and so that there may be no delay in dealing with it next session. I hope to see the site of the federal capital decided upon during the existence of this Parliament. It cannot be hoped that much more than that will be done; but, unless this commission is appointed now, and a clear six or seven months given for its investigations, we shall not be in a position to deal with the matter at all next session. If the first Parliament of the Commonwealth

a site, I do not think that the new South Wales will have any to complain about. At the suggestion of the leader of the Opposition, I have moved the motion words which require report of the commission shall be made by or before the 30th April

Mr. SKENE.—There should have been a provision in the Constitution with reference to the fixing of the federal capital

Sir WILLIAM LYNE.—It has been suggested that the provision of the Constitution which deals with the fixing of the federal site should be amended, but I do not think such a course would lead to further delay.

There is a strong argument for locating the federal capital in any large city where there are influences at work to attract a large centre of population which will draw those who reside there or are engaged there in the discharge of their duties, but which, perhaps, do not attract people from other parts of the Commonwealth. If the federal capital is fixed upon, and the Parliament and Executive are located there, they will be free from such influences. I must confess that I attempted to see the capital located in the neighbourhood of Sydney, on the heights between Parramatta and the Hawkesbury, to my mind, would have been a good place for it; but, of course, under the present constitution that is impossible.

Mr. SKENE.—Will the commission be required to confine its investigations and reports to the sites referred to it?

Sir WILLIAM LYNE.—Yes; but I hesitate about taking the responsibility of referring other sites to it if there is no justification for doing so, and the probability of such sites being considered by this Parliament.

MR. COOK.—Is the commission to make a recommendation as well as a report?

Sir WILLIAM LYNE.—I do not think it wise to have a body of experts make a recommendation in regard to the policy in the fixing of the site. That is a matter wholly for Parliament. I should not like to make such a recommendation. The commission will have to consider the various aspects from the aspects referred to in the Constitution, and leave it to the representative people to adopt whichever site seems best.

Mr. SKENE.—Will the inspection of the Albury site include an inspection of the Upper Murray site?

Sir WILLIAM LYNE.—No; there is no need for that, because the water supply of Albury is an assured one.

Mr. SKENE.—The honorable gentleman spoke very favorably of the Upper Murray site as being a most picturesque place.

Sir WILLIAM LYNE.—The matter is a very delicate one for me to refer to, inasmuch as there are two sites in my electorate which have already been put forward as suitable for the federal capital.

Mr. SKENE.—Might not the commissioners be allowed to report upon the whole locality within a certain distance of any proposed site?

Sir WILLIAM LYNE.—I hope that I shall not be called upon to give an opinion upon the Upper Murray site, but I intend to ask a few members of the House to visit it during the summer months, and I shall be guided by what they think of it, and of the probability of any site so far south being selected.

Mr. SKENE.—But the Albury site is equally far south.

Sir WILLIAM LYNE.—Albury is on the railway.

Mr. MCCAY.—It seems to me that if the resolution is carried, we shall be as far from finality in the matter as ever. The Minister tells us that there may be fresh visits of inspection, and that new sites may be suggested.

Mr. BROWN.—The Upper Murray site is surely no further from the railway than is the Bombala site?

Sir WILLIAM LYNE.—The Upper Murray site is 100 miles east of Albury, whereas the Bombala site is only 50 miles east of Cooma.

Mr. CROUCH.—Will the experts to be appointed be chosen from the whole Commonwealth, or from New South Wales alone?

Sir WILLIAM LYNE.—I think it will be wise to get experts from all the States. The people of Victoria would not be satisfied if only New South Wales experts were chosen; and the other States must also be considered.

Mr. BROWN.—Will the honorable gentleman inform the House as to the personality of the commission before the session closes?

Sir WILLIAM LYNE.—I do not know that that will be possible, but I shall be

willing to do so if I can. The appointment of the commissioners is an administrative act for which the Government must be responsible.

Mr. JOSEPH COOK.—It is the business of this House.

Sir WILLIAM LYNE.—I am always wishful to consult honorable members, but I know my duty to the House and to the Government of which I am a member, and I regard the appointment of this commission as a pure act of administration for which the Government must take the responsibility. If we do not select properly qualified men we must be held blameworthy. I have no objection, however, to getting my colleagues to ratify the appointment of the commission before the session closes, if that is possible. At the present time I know of only one or two experts whom I should be inclined to appoint.

Mr. SAWERS (New England).—I do not think that this is a suitable occasion upon which to discuss the merits of any of the sites proposed for the federal capital. That may well be deferred until we have proper information before us. I shall refrain, therefore, from trespassing upon that ground, except so far as it may be necessary for the purpose of commending my amendment to honorable members. I am in favour of establishing the capital entirely away from all centres of population, and I do not attach any great weight to the objections which have been raised upon financial grounds. It has been repeatedly stated outside Parliament that in view of the great financial difficulties of Australia, which will probably become more acute during the next year or two, it would be unwise and unpatriotic on the part of this Parliament to approve of the establishment of the federal capital at present. It has been urged that we might remain where we are for many years to come. But I think that those persons who have objected to the early establishment of the federal capital, on the score of the expense involved, have over-estimated the outlay. As the Minister has pointed out, there will be no necessity to erect extensive or elaborate buildings for many years to come; and, even if we had designs prepared for all the buildings that would eventually be required, we need not complete them within a generation. If we spent in the erection of the federal capital one million of money in ten years that would be quite sufficient.

Mr. THOMSON.—We could do with a much smaller amount.

Mr. SAWERS.—If we have any belief in the future of the federation, an expenditure such as I have indicated would not be too great. I have the strongest sympathy with the Minister in this matter. Certain honorable members have from time to time baited the right honorable gentleman in regard to this question. They have charged him with being an enemy to New South Wales, and with having no heart in the movement for the early establishment of the capital. Although I believe that a motion of this kind might have been tabled some months ago, and although I suggested that the Ministry should take the responsibility of reducing the 45 or 50 suggested sites to five or six, and ask the House to approve of the appointment of a board of experts, I recognise that we have been engaged upon very urgent work, and that so long as this matter is dealt with during the present session there will be no substantial grievance against the Government. I believe that the Minister is true to the compact embodied in the Constitution, and that he is a fervent friend of the people of New South Wales, who desire to see the capital established within their borders as soon as practicable.

Mr. FULLER.—Why should not the experts have been appointed months ago!

Mr. SAWERS.—I am free to admit that they might have been appointed long before this, but, after all, we have been engaged in dealing with very important business, and the delay of a few months, or even a year, will not mean much in the history of the federation. I do not think the Minister has deserved the somewhat bitter criticism which has been levelled at him. I approve of the motion, although I do not think it goes quite far enough. I do not wish to discuss the merits of the sites mentioned in the motion, but I have serious objections to one or two of them. I have indicated that I am in favour of the capital being established in the bush, away from any distinct town. Although I do not claim to be a disciple of Henry George, in so far as he advocates the nationalization of land, where such a reform would interfere with well established communities, I think that we shall start the federal capital upon lines sound if we decide not to sell any land within the federal area. I believe that in time the revenue derived under a proper

RECEIVED BY THE SECRETARY OF THE HOUSE OF REPRESENTATIVES

system, would help to recoup the are involved in the establishment capital. If the Albury site, for included the existing town of that d the whole site were nationalized, rable sum of money would have to for the land resumed. The same would apply to the Orange site if were included within it.

B. EDWARDS.—The revenue of the wealth would be all the greater.

SAWERS.—I do not suppose it is that the actual towns in either ld be taken in. I think that the s it stands is too restricted in its t is quite possible that the experts that none of the sites mentioned ly satisfactory, and we should sub- sites for examination and report. ster has referred to Bombala, and well known that certain honorable were very much impressed with , not so much on account of the in which the future capital e placed, as because of the idea federal area should embrace Two- , and thus enable us to establish seaport. That idea is magnifi- t we should have to reckon with Government of New South Wales. very much if they would consent to r to us 1,000 or 1,500 square miles y, and enable us to assume control eaport of Eden, which might in come a serious rival of Sydney. ht be quite agreeable to carry out act embodied in the Constitution, eds to the Federal Government a racing from 100 up to perhaps as 300 square miles, but they ot agree to hand over 1,000 square miles and give us Two- as a federal port.

IRWAN.—Surely the Parliament of th Wales would not wish to m- defer the settlement of the apital question?

SAWERS.—I think that the people South Wales would object to the authorities taking control of a sea- ch would compete with Port Jack- hey desire that the federal city f possible, provide an outlet for the nported by the merchants of

HENRY WILLIS. — How far is e from the nearest port?

SAWERS.—About 70 miles.

Mr. HENRY WILLIS.—That is not much more than the distance between Twofold Bay and Bombala.

Mr. SAWERS.—If it were considered necessary to embrace a seaport within the federal area, Armidale would be just as favourably situated as would Bombala. If a federal seaport were established the Australian navy of the future would have its headquarters there.

Mr. HENRY WILLIS.—It could never ride at anchor in Twofold Bay.

Mr. SAWERS.—I desire to know how the Minister can reconcile his action in asking this House to consent to Albury being reported upon, with his omission of Armidale. Unfortunately, no report has been sent in by the New South Wales commissioner, Mr. Oliver, with reference to Armidale.

Mr. WILKS.—Was that site ever submitted to him for report?

Mr. SAWERS. — Yes; but somewhat late in the day. Mr. Oliver has been more than once seriously ill, and it took him a long time to perform his work. I believe his report is now completed, but that it has not yet been received by the Government. I am, however, in the position to inform honorable members that Mr. Oliver was rather surprised that such a magnificent site was to be found at Armidale, and his opinion is that it is second to none. I was doubtful about the water supply, but the district surveyor and another expert engineer from Sydney inquired into the whole matter, and reported that no other site would have a better water supply than could be provided at Armidale.

Mr. FULLER.—Has the honorable member seen the Armidale site?

Mr. SAWERS.—Yes; I know it well. In order to provide a water supply it is proposed to construct a dam across the Guyra Gorge.

Mr. FULLER.—We all saw it.

Mr. SAWERS.—The honorable member did not see the Guyra Gorge, which is several miles away from the site inspected by honorable members on their recent trip.

Mr. HENRY WILLIS.—It was pointed out to us in the distance.

Mr. SAWERS.—The honorable member would require to be an eagle and soar up in the air to the height of a mile or two in order to see the gorge from the site he visited. The Armidale site is suitable in

every possible way. It possesses a splendid climate and beautiful scenery, and an ample water supply could be provided. The only objection that appears to be raised against it is that it is north of Sydney, and is not situated between the two great cities of Australia. I notice that a distinguished gentleman, who occupies a seat in the Senate, said he would not think of going north of Sydney to look at any site for the federal capital, because he regarded it as essential that it should be situated to the south of Sydney. I would point out, however, that the trend of population is northwards from Sydney, and that on the northern rivers of New South Wales there is a lot of splendid country, capable of sustaining a large population. The Armidale site does not include the city of Armidale. If it did I should look upon it as a grave objection, for reasons which I have already stated. I am desirous that the federal territory shall be as free as possible from acquired interests. It is quite possible that one or two of the sites proposed to be inspected by the committee of experts may fail to receive the approval of Parliament, because I believe that the majority of honorable members think that the federal capital should be as free as possible from valuable freehold property. They desire that a site shall be acquired as the absolute property of the Commonwealth. The Bombala site, although perhaps in itself a very fine one, might fail to receive the sanction of the New South Wales authorities if too much territory were sought to be obtained. Then, again, it is proposed that the Lake George site shall be inspected by the experts. Without going into details, I may say that that site may not be found to be a suitable one.

Mr. WILKS.—It has more available Crown lands than has any other site.

Mr. SAWERS.—That may be, but I think there would be a difficulty in obtaining a proper water supply. I think there should be a wider choice, and that any other site which has reasonable claims for consideration should be included in the motion. The great antagonism shown to the selection of the Armidale site is due to its geographical position. I accompanied members of another place on their recent inspection, and I know that they were strongly impressed with the beauty and general suitability of that site. In answer to the objection of the President of the Senate,

I would ask—What object should we have in view in selecting a site for the capital? Should we consider the convenience of present members of the Federal Legislature, or should we secure what is likely to be the most convenient site in the not-far distant future? A most important document, to which reference has already been made by the Minister for Home Affairs, was presented to the members of the Adelaide Convention by a committee of statisticians. That document dealt with the question of the trend of population, and it set forth that in 1940—that is only 38 years ahead, and we need not be very particular to a few years—New South Wales would probably have a population of 8,000,000; that Queensland would have an estimated population of 7,500,000, and Victoria an estimated population of 4,000,000, or a little more than half of the estimated population of Queensland. It was also estimated by the statisticians that the other States of South Australia, Western Australia, and Tasmania combined, would probably have only a population of 2,500,000. If we credit the Armidale site with only half the estimated population of New South Wales in 1940, and add the anticipated population of Queensland, we find that the population north of Sydney in 1940 will amount to 11,500,000, or considerably over half of the then estimated population of the Commonwealth. If we throw in the whole of the population of Sydney and suburbs, where the bulk of the population exists, nearly three-fourths of the population of Australia will be included within a line stretching from a little south of Sydney, north throughout Queensland. Having regard to the opinion of the statisticians of the various States who met in conference to consider this question, it cannot be denied that 40 or 50 years hence Armidale will be in the very centre of the densest population of Australia. If, as I have shown, South Australia, Western Australia, and Tasmania combined will not have a population of more than 2,500,000, is it open to any representative of South Australia to sneer at the proposition that it is possible to have the federal capital north of Sydney? The grounds which I have set forth are, in my opinion, amply sufficient to justify the inclusion of the Armidale site in the list of places to be inspected by the experts, and I am astonished that the Government should have ignored it while proposing

Albury shall be inspected. I do not make an inquiry into the suitability of the site, but I very much resent the action of the Government to include Armidale in the list. Honorable members who visited the Armidale site know that it is a beautiful spot, free from any town, and it would not involve any very heavy expenditure to acquire a magnificent area of land. It is a lofty table-land, with a splendid view, and its beauty is almost un-
 Honorable members saw only a little of it during their recent visit, but what they did see was only a small portion of hundreds of thousands of acres all around it. My principal reason for including its inclusion in the list is that it is justifiable that inquiries should be made into its merits, as we have not to the convenience of the present Parliament, but the convenience of the people of Australia in the future.

I wish to oppose the motion, but I ask honorable members to do so on the merits of the Armidale district, and not to allow themselves to be swayed by the fact that it does not lie between Sydney and Melbourne. I move—

After the word "Albury" the word "Armidale" be inserted.

MR. PAGE.—Why not move that the word "Albury" be omitted with a view to the inclusion of the word "Armidale."

MR. WARR.—I shall not go so far as

MR. SYDNEY SMITH (Macquarie).—I congratulate the Minister for Home Affairs on coming down, even at this late hour, with a definite proposition to refer the question to a committee of experts. The committee, I understand, is not to be formed for the purpose of making any recommendation, but merely to consider, on the terms of the motion, the merits of the various sites. In consideration of the selection of a site for the capital a good deal of feeling has been exhibited, and one can readily understand the reason for it. There is a natural feeling in New South Wales in favor of an early settlement of the matter. When the question was entered into there was a feeling that the capital should be situated in the State, and the people reasonably expected that the making of a selection would have been expedited, and that some action would have been taken after the parliamentary inspection.

Many people think that the money expended upon the parliamentary inspection was wasted. I had the privilege of inspecting nearly every site. Those I did not visit in company with other honorable members I had visited previously, and I think I speak for every honorable member when I say that much useful information was obtained by us. I mention this matter, because certain newspapers have referred adversely to the action of the Government in calling upon honorable members to visit the various sites. They have endeavoured to show that there was a wasteful expenditure.

MR. PAGE.—It was a jolly good picnic.

MR. SYDNEY SMITH.—Call it what we may, I have no hesitation in saying that as the result of the parliamentary inspection, we shall be able to save thousands of pounds in arriving at a determination. The information which we obtained will be of great value to us when we are called upon to consider the report already submitted, as well as that to be presented to us by the committee of experts. For these reasons I do not agree with those who have adversely criticised the action of the Government in arranging for a parliamentary inspection. I think it was a proper thing to do. The Minister for Home Affairs has referred to the western sites. I happen to represent the western district of New South Wales, but it is not because of that fact that I hold the views which I am about to express. I believe that every honorable member who visited the western district was impressed with the various advantages possessed by it. There is a large area of rich agricultural land there; the situation is beautiful; the climate is very favorable, and it possesses many other advantages which might be named. No doubt other very good sites were visited by honorable members, and these will all have to be considered when we deal with the question. I asked the Minister for Home Affairs two or three weeks ago if, in view of the fact that Bathurst, Orange, and Lyndhurst were so close to each other, experts would be required to report as to all three, and the honorable gentleman agreed with the suggestion. In order that a definite and proper settlement may be arrived at, I intend to submit an amendment, which will include the two sites I have mentioned. In speaking of the western site, the Minister stated that he believed that if the line via Werris Creek and the line via Cobar were constructed, there would be strong reasons

in favour of that site, the distance from Bathurst to Brisbane *via* the former line being about 702 miles, or nearly 200 miles nearer than it would be *via* Sydney. The cross-country line has been approved of by the Legislative Assembly of New South Wales, or, at any rate, it has been referred to the Public Works Committee, and is almost sure to be agreed to. There is no doubt that the fine stretch of country between Wellington and Werris Creek must be provided with a railway line, in order to meet the convenience of those who will eventually settle on that tract of country, and such a line will bring the western sites nearer to Brisbane than any other.

Mr. PAGE.—That site will not be nearer to Brisbane than is Armidale.

Mr. SYDNEY SMITH. — That is so ; but I am talking at present about the sites proposed by the Minister, who does not include Armidale. The line *via* Cobar was originally proposed by the present Minister for Home Affairs many years ago, but although it was approved by the Legislative Assembly, it was rejected by the Council, I believe, by a majority of one. I am told, however, that there is now such a strong feeling in favour of its construction that the success of a proposal now before the New South Wales Parliament is assured.

Mr. SAWERS.—Such a line would never pay for the grease for the wheels.

Mr. SYDNEY SMITH.—The proposal to construct a line has already passed the Legislative Assembly, and I am assured by those who ought to know that when in a few days the proposal comes before the Legislative Council it is sure to be carried. The construction of these two lines will, as I say, afford strong reason for the selection of a western site at either Orange, Bathurst or Lyndhurst. Within the area mentioned there is a large tract of rich agricultural land, which, I have no hesitation in saying, is capable of maintaining a very large population. In that country, which includes Bathurst and Orange, there are already large numbers of people settled who are in a fairly prosperous state. A well known farmer in this district told me the other day that, beginning in a very small way with less than 300 acres, which he took up under Sir John Robertson's Act of 1861, he had been able, after deducting working expenses, to earn something like £300 a year for over 20 years, whilst another place which

he bought for something like £2,000 had cleared itself in five or six years. I mention this to show what splendid land there is in the district, and most of the land is of pretty much the same quality.

Mr. L. E. GROOM.—For what site is the honorable member arguing ?

Mr. SYDNEY SMITH.—I am only asking the House to carry out a suggestion, approved by the Minister for Home Affairs, to consider Orange, Bathurst, and Lyndhurst as one site, and get all the necessary information regarding these places. What we require is information to enable us to come to a fair decision in a matter which involves the expenditure of a large sum of money. My desire is to submit an amendment asserting that in consequence of their proximity to Orange, Lyndhurst and Bathurst be included amongst the places on which the experts shall be asked to report.

Mr. SAWERS.—It is of no use providing for Bathurst.

Mr. SYDNEY SMITH.—But the places are all in the same tract of country. There is only a short distance between them, and it might happen that near Bathurst a better water supply could be obtained than at another place.

Mr. CROUCH.—If the honorable member proposes Bathurst I shall propose Geelong.

Mr. SYDNEY SMITH.—I only desire to submit an amendment to which the Minister for Home Affairs has agreed.

Mr. SAWERS.—Bathurst is within 100 miles of Sydney as the crow flies.

Mr. SYDNEY SMITH.—I am not speaking of the city of Bathurst, but of the district outside, which was shown to honorable members, and which is not within the limit prescribed by the Constitution.

Mr. McDONALD (Kennedy).—If I am in order I desire to move an amendment to strike Albury out of the motion.

Mr. SPEAKER.—The honorable member can move that only if the honorable member for New England consents to temporarily withdraw his amendment.

Mr. SAWERS.—As a matter of courtesy I desire temporarily to withdraw my amendment.

Amendment, by leave, withdrawn.

Mr. McDONALD.—Judging from what I saw during the visit of inspection, I should say that Albury, on its merits, has the least chance of all the suggested sites

ming the federal capital, and it sur-
me to see the place included amongst
n the motion. The Minister for Home
has admitted that Armidale has the
perfect water supply of all the sites.

WILLIAM LYNE.—I did not say that.
has the best water supply.

MCDONALD.—At any rate the
er said that one of the best water
s could be found at Armidale, and
at place is not included amongst the
be inspected.

WILLIAM LYNE.—I must ask the
ble member not to misquote me.

MCDONALD.—I understood the
er to say so, but, if I am wrong, I
pared to withdraw. At any rate, I
ake the assertion that Armidale is
to none amongst the sites proposed.
ountry is good, and the elevation is
as to insure a good climate, while
is all the necessary material near at
for building purposes. The only
given by the Minister for not in-
y Armidale is that the place is "out-
actical politics." It is not the pre-
ut the future we have to consider.
ot merely the convenience of a few
rs of the first or second Common-
Parliament to which we must have
; we must remember that the
capital we now select will en-
for generations, and probably for
ies. Under the circumstances we
to take into consideration all the
ages that are presented by a place
d as Armidale is. Time and again
been pointed out that popula-
trending to the north of Sydney, and
any years—it may be centuries to
the great bulk of the people of Aus-
will be on the eastern coast.

FOWLER.—I am not so sure about
there is Western Australia.

MCDONALD.—I admit that the
oment of mining in Western Aus-
has been very great.

FOWLER.—And we have only

MCDONALD.—The progress of
n Australia can be seen in the re-
f the magnificent yields of gold year
ear. While Western Australia may
mineral-producing country, the terri-
on the eastern side of the continent
only rich in minerals, but possesses
cent pastoral and agricultural re-

Mr. FOWLER.—We have similar land in
Western Australia.

Mr. MCDONALD.—But not any great
extent of it.

Mr. FOWLER.—Oh, yes. That is a very
common error.

Mr. MCDONALD.—I only hope that
in years to come Western Australia will
contain a large population. Still we must
recognise that during the next century or
two the trend of population will be towards
the eastern coast. Consequently Armidale
will be the centre of the most densely-
populated portion of the continent, and
therefore I think that it should be included
in the list of eligible sites. Albury is one
of the last places that should have been so
included.

Sir WILLIAM LYNE.—That shows how
little the honorable member knows of it.

Mr. MCDONALD.—That may be so.
The one thing above all others that would
kill Albury, in my estimation, is that it is
only 800 feet above sea-level, and I do not
think that we ought to remove to any place
with an altitude of less than 2,000 feet. I
have no interest in advocating the selection
of Armidale.

Mr. ISAACS.—Is it not the nearest point
to Queensland?

Mr. MCDONALD.—Yes.

Mr. ISAACS.—That, of course, is a mere
coincidence.

Mr. MCDONALD.—Let me remind
the honorable and learned member for Indi
that, if the statisticians are to be relied
upon, within a comparatively few years
Queensland is likely to possess twice the
population of Victoria. I repeat that I am
not interested in the selection of the Armi-
dale site, but I certainly hold that in the
light of the information which has been
presented to us Albury has no claims what-
ever.

Sir WILLIAM LYNE.—Albury has always
been considered the federal city.

Mr. MCDONALD.—That may be so;
and I can quite understand the awkward
position in which the Minister is placed.
There are two eligible sites in his electorate,
and it is therefore necessary that both
should be included in the list. Seeing, how-
ever, that the Government profess to be in
earnest in their desire for economy, I think
they might effect a small saving upon this
item. Therefore I move—

That the word "Albury" be omitted.

Mr. REID (East Sydney).—I have already made some reference to this motion, and I am strongly of opinion that the method proposed will prove a cumbersome and expensive one of gaining the information desired. I trust that the Government will not persist in the idea of appointing a large number of persons to this committee. If they are professional men their services are sure to prove expensive. I hope that there will be a distinct understanding made with them as to the remuneration which they are to receive, so that future trouble may be avoided.

Sir WILLIAM LYNE.—The right honorable member may depend upon that.

Mr. REID.—I would further point out that although the 30th April next has been fixed as the date upon which the report of this body should be in readiness, it ought to be available much earlier.

Sir WILLIAM LYNE.—We fixed that date as the extreme period.

Mr. REID.—In appointing the committee the Government should fix an earlier date, because the period for the presentation of the report can always be extended if that course is necessary, and it cannot be a very difficult matter for experts to report upon these sites in relation to the features covered by the resolution. I do not wish to oppose the motion, though I should have preferred the Government to take another course.

Mr. WILKS (Dalley).—During this discussion I have been impressed with two features of it. The first is the practical unanimity of honorable members in favour of a speedy selection of the capital site. That is an admission which the people of New South Wales, even at this late hour, will welcome. The next feature is that owing to the difficulty in which the Minister for Home Affairs finds himself, we are now offered a plethora of sites. The honorable member for New England has suggested adding Armidale to the list, and, similarly, the honorable member for Macquarie wishes to include Lyndhurst. I have no object to serve by proposing the addition of any particular site; but as the Minister has been wise enough to include two localities in his own electorate, I would suggest that he should add to the sites mentioned the words "*et cetera*." I contend that the Minister already has in his possession the very data which he is desirous that this committee of experts

shall collect for him. Mr. Oliver, the commissioner appointed by the New South Wales Government to report upon this matter, has most admirably traversed all the points covered by the resolution under discussion. But, strange to say, the site which that gentleman placed second on the list—Yass—has not been included in this motion.

Sir WILLIAM LYNE.—If the honorable member will read Mr. Oliver's report he will see that he considered the water supply there most unsatisfactory.

Mr. WILKS.—Nothing of the kind. Mr. Oliver says—

If the final selection is to be governed mainly by considerations of cost of acquisition and present accessibility as between New South Wales and Victoria, Yass would be entitled to first place; but the resources of that site for an effective water supply for a large population are not as satisfactory as could be desired.

Sir WILLIAM LYNE.—That is practically the same thing.

Mr. WILKS.—No, it is not. It is remarkable that the Minister has included in this resolution the Lake George site, although he has admitted that there is a doubt as to the water supply there. True, there is a larger extent of Crown lands in that neighbourhood than there is in the vicinity of any other site. That consideration, in itself, should carry great weight. I quite agree with the statement of the Minister that there is no necessity for the erection of palatial parliamentary buildings at the federal capital. Once a site is decided upon, almost any architect will be capable of designing a suitable building for the Federal Parliament House. It has been said that care should be taken to make the federal capital a model city; but I do not think it worth while discussing that question now. I shall not be guided by æsthetic considerations, such as the beauty and picturesque-ness of the surrounding country, in giving my vote on the question. In this twentieth century, it is not considerations of that kind, but the ability of the soil to attract and maintain a population, that is to be considered in the location of a city. Personally, I see no necessity for the appointment of the proposed commission. The members of the Senate and of this House have already visited all the proposed sites, and have been educated in respect to them by what they have seen, which is the best education of all. Armed with the

which we now have, I think that it would be in a position to decide on the matter on the report of a committee of its own members, ap- to collect the evidence of experts on points. I am not here to advocate of any one site; I believe in them all to be considered by the who are to be appointed. When the comes finally to be determined, I may best to deal with it in the inte- Australia and of New South Wales. ndment of the honorable member England has much to recommend trend of population seems to be towards the eastern and north-eastern Australia, and, topographically, is practically the centre of the portions of the continent. I think we well to add the words "et cetera" tion, so that all the sites which th Wales possesses—and she is y teeming with them—may be ed by the commissioners.

ISAACS (Indi).—I trust that the e member for Kennedy was not his proposal to omit Albury from f sites to be considered. I have taken very little part in the dis- in this Chamber upon the choosing leral capital site, because I think are doing wrong at this stage to the cause of any particular dis- my judgment, the time has not ed for discussing the comparative various places in New South Wales e for the future capital of Aus-

WARRS.—The number of sites to be ed must be limited. It would to submit 50 sites for investigation.

ISAACS.—Sites have been sug- om time to time which are re- to be clearly out of the question, are easily disposed of, but there are s which might fairly be submitted gation, and to which serious atten- ed be given. I wish to repeat now ve said on former occasions when er has come up—that I am most hat the compact with New South hich is embedded in the Constitu- be honestly and fairly kept. I ny best to see that it is so kept. ust not be understood that New ales alone has an interest in the he capital site. The federal capi- be in New South Wales, but the

determination of its position is a question, not for any one State, but for the people of the whole Commonwealth to determine. I do not wish to say a word to advance the cause of any proposed site, or to prejudice any other proposed site; but the suggestion of the honorable member for Kennedy com- pels me to make one or two remarks in sup- port of the claims of Albury to be included among the sites referred for investigation to the proposed commission. The honorable member for Kennedy gravely told us that he had no interest in the fixing of the Armidale site. Nobody supposed that the selection of that site would benefit him personally, but one cannot help associating his position as a representative of Queensland with the proximity of Armidale to the borders of that State.

Mr. McDONALD.—Where is Albury? Is it not somewhere near Victoria?

Mr. ISAACS.—Yes; but no Victorian representative has taken up the position that he is not interested in the selec- tion of Albury. Albury is not only nearer to Victoria, but is nearer to South Australia, Western Australia, and Tas- mania, than Armidale is. We must recol- lect, too, that there are other circumstances attaching to its position which make it eminently a site worthy of consideration. Not only is it located upon the trunk line from Adelaide to Melbourne, Sydney, and Brisbane, but it lies on the banks of the River Murray, which, in the perhaps not distant future, will be made an impor- tant channel of communication with Ade- laide. The greatest river in Australia may offer opportunities for development which we cannot yet foresee; and since it is the peculiar privilege and duty of this Parlia- ment to legislate for the navigability of the rivers of the Commonwealth, we must not forget that Albury may yet form a central point of communication and importance in regard to New South Wales, Victoria, and South Australia. While the altitude of the town is only little over 500 feet, there are within 15 or 20 miles mountains which reach a height of 1,500 or 2,000 feet. I did not refer to these matters in order to impress them upon the consideration of the commissioners, because I feel that it is our duty to abstain from remarks which might appear to pre-judge the question; I have mentioned them because I think it would be an injustice to Victoria, and to the other States, to exclude the consideration of the

claims of Albury. I shall support the proposal of the honorable member for New England for the investigation of the Armidale site. I think that the commission should have an opportunity to visit every locality which might reasonably be selected as the site of the future federal capital, so that Parliament may come to a decision upon the matter with the fullest information at its disposal. Although the honorable member for Kennedy thinks that Albury stands a poor chance of being selected as compared with Armidale, we should, at least, allow it to be considered. I cannot think that this House would refuse to allow its consideration; but, if such a thing were to happen, it would surely be thought that the selection of any site which might possibly be advantageous to Victorian interests is to be rigidly prohibited. I do not attribute any such motives to honorable members, but a great many people would be inclined to hold that view. If, however, Albury is included in the list of sites to be examined by the commission, and it is determined by the commission and by Parliament, or by Parliament alone, not to select it, fair play will have been given, and everything that should have been done will have been done. I shall support the inclusion of the other sites which have been suggested for consideration, because I think that there is no fair reason for excluding from investigation any position which offers advantages of magnitude and importance. I regret that I have been compelled to advert to matters which, under other circumstances, might well have been avoided; but honorable members know that I have never hitherto uttered a word in advocacy of the Albury site, and that what I have said to-night I have been compelled to say, because of the proposal of the honorable member for Kennedy that that site should be excluded from consideration. I have little hesitation in believing, however, that the House will not accede to the honorable member's proposal.

Mr. POYNTON (South Australia).—I trust that, in dealing with this motion, considerations relating to individual members will not be taken into account. One would think from the remarks of the honorable and learned member for Indi that we were to consider whether it would suit the representatives from South Australia or from Victoria, or some other State, to have the

capital located at a particular spot, but I protest against any such view being taken.

Mr. ISAACS.—Are we not to consider the advantage of the various States?

Mr. POYNTON.—Yes; but we should not study the convenience of the representatives of the States.

Mr. ISAACS.—No one suggested that. I was speaking about the States, and not their representatives.

Mr. POYNTON.—The object should be to select a site in which there will be a possibility of growth, and where the conditions will be such that the value of the federal area will increase. We should be able to look forward to obtaining in the near future, or at any rate before any very distant date, some return for the money to be expended in establishing the capital. We should not consider the interests of any particular State. The object of appointing a committee of experts should be to obtain further reports upon such sites as have been shown to be worthy of consideration, and it is upon this point that I again join issue with the honorable and learned member for Indi. Surely after the two visits of inspection made by members of this Parliament, and in view of the valuable report of the New South Wales commissioner, we should be enabled to narrow the area of selection.

Mr. ISAACS.—Mr. Oliver's report was very biased in many respects.

Mr. POYNTON.—If I thought it was a biased report, I should discount its value very much, but I regard it as an admirable production, and as showing that a great amount of careful consideration was given to the various matters which came under the attention of the commissioner. We should now be prepared to cull out such sites as are, from our general knowledge and the evidence before us, considered to be out of the running. I have not heard anything in favour of Albury from honorable members who visited the various proposed sites. It was not included in the first report we had, and if we are to add it to the sites which are to be reported on by the experts, I do not know where we shall stop.

Sir WILLIAM LYNE.—Is the honorable member opposed to Albury?

Mr. POYNTON.—I am decidedly opposed to its being reported upon by the experts. If Albury is to be regarded as an eligible site we may look upon all that

one up to the present time as a time and money.

LIAM LYNE.—The honorable member to have visited Albury.

POYNTON.—I have been there. None of the honorable members visited the proposed sites regarded having any chance of selection.

LIAM LYNE.—I do not think that rect.

POYNTON.—In all the reports I going to the visits of inspection I see any favourable mention of it, on the other hand, Armidale led by some honorable members inct approval. We are moving in the dark with respect to this. Although the Government are assume the responsibility of select-experts, I do not think we are much if we desire to know the number to be appointed. We to be informed as to the payment to receive.

LIAM LYNE.—I said that we pro-appoint either five or seven ex- had not quite made up my mind as mber.

POYNTON.—We are also entitled be amount of remuneration to be hem.

LIAM LYNE.—We cannot say esent, but the fees will be fixed onable an amount as possible. I leader of the Opposition that a greement would be made as to the e the experts started their work.

POYNTON.—There is not much n to be derived from that.

LIAM LYNE.—The honorable must trust the Government for g, bad as he may think them.

POYNTON.—I think we already n a great deal. So far as I am concerned, I am prepared to ght in favour of one of the sites

LIAM LYNE.—What site does the member favour?

POYNTON.—I am not supposed to at now.

LIAM LYNE.—Has the honorable een the sites proposed?

POYNTON.—No; but I have e reports upon them.

ISAACS.—Has the honorable mem- he report on the Armidale site?

POYNTON.—Yes.

Mr. ISAACS.—Why, it is not printed yet.

Mr. L. E. GROOM.—Yes, it is. I have it here.

Mr. POYNTON.—I have read all the reports and the various pamphlets which have been issued, and I was much impressed with the report of the New South Wales Commissioner, which contains enough information to enable this House to arrive at a decision. It is now proposed that we should appoint experts to examine a number of sites which have hitherto been considered as completely out of the running. The Commonwealth has been in existence for nearly two years, and we should have been in a position to do something more than has yet been accomplished.

Sir WILLIAM LYNE.—What could have been done?

Mr. POYNTON.—The experts might have been appointed immediately after the visit of inspection made by honorable members of this House.

Sir WILLIAM LYNE.—Before any money was voted for the purpose?

Mr. POYNTON.—That is a mere matter of detail. I am not altogether satisfied with the wording of the resolution. I think that the experts should report upon the area of Crown lands available within the various sites.

Sir WILLIAM LYNE.—That will be included within the latter part of the resolution. That is one of the things I had in my mind.

Mr. POYNTON.—Another matter for consideration is the approximate amount of money that it will cost to resume the lands that are now held in fee simple.

Sir WILLIAM LYNE.—That will also be within the scope of the inquiry.

Mr. POYNTON.—There is a large amount of work to be done in connexion with the selection of the sites before we can possibly commence building operations, and I am sorry that the settlement of the question is to be further postponed by the appointment of a committee of experts. Twelve months at least must elapse before their report can be dealt with. I was very pleased to hear the Acting Prime Minister say that there was no intention to erect elaborate buildings upon the site for some time to come. In the ordinary course of events, and in view of the red tape which is generally associated with Government proceedings, and the claims of land-holders, which will have to be settled by arbitration, some five or seven

years will probably elapse before the Commonwealth will acquire a complete title to the federal area. The introduction of this motion, in itself, affords evidence that what we have done during the past two years towards the selection of the federal capital site is scarcely worthy of consideration. The number of sites which it is contemplated to make the subject of report by the experts is already too large, and probably we shall have a number of others suggested by honorable members who have the special interests of their constituents to consider. The experts will be called upon to go over the ground which has already been covered by honorable members and by the New South Wales Commissioner. I believe that the federal area will become a valuable asset of the Commonwealth, and that the longer we defer its selection the longer we shall deny ourselves the benefits which will accrue from our possession of it. We ought to be in a position to-day to say which site we intend to acquire. Two of the sites referred to in the motion I am entirely opposed to. I trust that the Minister will see that the committee of experts does not resolve itself into an expensive roving commission.

Sir WILLIAM LYNE.—The honorable member must recognise that I am most economical in everything.

Mr. POYNTON.—I think the Minister requires to be watched. I had made up my mind to vote against the inclusion of Albury in the motion, but lest there should be any feeling that the interests of Victoria are not being fully considered, I shall abandon my original intention.

Mr. SKENE (Grampians).—I join with the honorable and learned member for Indi in expressing the hope that honorable members will not eliminate Albury from the list of sites which are to be reported upon by the committee of experts. I think this would be extremely undesirable, especially in view of the fact that the Minister has informed us that there is an excellent site upon the Upper Murray which might also be considered. I think that the reason given by the Minister for not including the latter site in his motion, namely, that he did not see his way clear to recommend it because it was in his constituency, and he did not wish to press its claims, was a very weak one.

Sir WILLIAM LYNE.—That was not quite the reason that I gave.

Mr. SKENE.—What the Minister said amounted to that. Without unduly increasing the number of sites to be reported upon, I think we might very well include the site on the Upper Murray, which, I am told, is an excellent one. It is most picturesquely situated, and it embraces some very excellent land, which would become a valuable asset. There is also the Dalgety site, which was known as Buckley's Crossing. In conversation with the honorable member for Bland to-day, he touched upon the very point which the Minister urged as an objection. The Minister represented that the Dalgety site was too far up amongst the mountains, and that for that reason the climate would be too cold. The honorable member for Bland says, however, that it is a much warmer locality than Bombala: that it lies more closely in the mountains: that the cold winds which sweep across these mountains strike Bombala when they do not strike Dalgety. I have seen the Snowy River at Dalgety, and a more magnificent water supply is not to be found in Australia. The Minister has admitted that we shall either have to take the capital to Dalgety, or take the water from Dalgety to Bombala.

Sir WILLIAM LYNE.—No; I said that if there was not a sufficient supply at Bombala, it would be necessary to tap the Snowy River.

Mr. SKENE.—At Dalgety?

Sir WILLIAM LYNE.—No; at some point.

Mr. SKENE.—I have not visited Bombala, but I have been to Dalgety, and I think it would be a great mistake to omit it from the list, in view of the fact that it is proposed that Bombala shall be inspected by the experts. If we are to be tied down to these hard-and-fast lines we shall never get beyond them. The Albury site might be rejected, and, in that event, we should not have an opportunity to fix the capital at that excellent place on the Upper Murray to which reference has been made, or at Dalgety rather than Bombala. I do not intend to enter into a general discussion of the question, but like the honorable member for South Australia, I should have been prepared to vote to-night for a site if the Constitution had permitted us to take a certain course. A great mistake was made in fixing any limitation. If the Constitution would permit it, I should prefer the selection of the site near Sydney to which the

has referred; I should prefer it to site in New South Wales.

LIAM LYNE.—That is out of the the Constitution would not allow

SKENE.—I am aware of that; but be bound in all matters of fact alterable Constitution?

WESS.—It would be necessary for ve wings if we selected the site hey.

SKENE.—Now we have two honor- bers from New South Wales ex- opinions that are diametrically op- each other; but it seems to me

reason of its situation and many vantages which it possesses, the site is a magnificent one for the

capital. A great deal has been said danger of an attack from the sea, ve heard from time to time refer-

ade to Washington, as if it removed from attack by sea.

matter of fact, it is on the tidal the Potomac, while Chesapeake

not very far away, and the Capitol nt down by a hostile British

the selection of Washington as the the Union was simply a matter of

between Hamilton and Jefferson. agreed to the capital being fixed

outh, on the understanding that would agree to the consolida-

he debts. Ottawa was selected capital of the Dominion of Canada,

of a long hostile boundary line. question of the possibility of attack

is to be considered, I would point one-fifth of the cost of building a

ne back blocks would be sufficient the site near Sydney impregnable.

rather a horror of the back blocks. Washington in 1867. It was then

magnificent distances. Its streets me of some of our old thorough-

rowed with bullock dray tracks. ow a magnificent city, with a

pulation; but the people of the States have had 100 years in

build it up. I have some little t better counsels may yet prevail,

some alteration in the Constitution be made, so that we may consider

Mr. CONROY.—I think there were thir- teen.

Mr. SKENE. — No; ten. There have been only sixteen alterations made alto- gether.

Mr. JOSEPH COOK.—Does the honorable member think that Victoria would agree to an alteration?

Mr. SKENE.—Most decidedly. I think the people of Sydney have an altogether wrong impression as to the opinions held by the people of Victoria in regard to the federal capital.

Mr. JOSEPH COOK.—Why was the limita- tion fixed?

Mr. SKENE.—I do not know. I was a member of the Australian Federal League, and I never heard any one in Victoria seriously discuss the question of why Sydney should not be the federal capital. The people of Sydney inflicted great harm upon themselves in entering into any bar- gain with regard to the site of the capital. Had they left it to be dealt with as a matter of sentiment—had they left it to the people to consider the position of the elder State, the beautiful harbour of Port Jackson, and the splendid sites which New South Wales possesses for a federal capital, I believe the capital would have been fixed at Sydney without cavil.

Mr. JOSEPH COOK.—Ballarat would have been the capital.

Mr. ISAACS.—That is a very important admission to make.

Mr. SKENE.—I have heard that sug- gestion before. But one objection to the selection of Ballarat would have been the inability to secure the water supply neces- sary for the federal capital. Ballarat is a very pretty city, but I do not think it would have been in the running. I should like to appeal to the Minister to include the Upper Murray site in the motion. Being near the headwaters of the Murray, it is possible there to obtain the purest water that can be secured in any part of Australia. I should also like to see the Dalgety site included, in case it should be found upon inspection to be more suitable than Bombala. My only object in rising was to suggest that these two places should be included in the list of sites to be inspected, because the in- spection of Albury and the site of the Upper Murray might be regarded as one work, while the inspection of Bombala and Dalgety might also be taken together.

Mr. L. E. GROOM (Darling Downs).—I trust that the honorable member for Kennedy will withdraw his amendment, because apparently there is a fear, which the honorable and learned member for Indi shares, that such action is likely to be misconstrued. It would be very unfortunate if it were thought that there was any attempt on the part of honorable members from the northern States to deprive Victoria of the opportunity to have considered a site which may be regarded as suitable from the point of view of this State. I believe it would come as a surprise to honorable members to be asked at this stage to vote upon a proposal for the omission of one of the names included in the motion. I feel confident that honorable members—many of whom are absent—had no idea that a vote of that description would be taken. I could only interpret such a vote as a judgment by the House upon the merits of Albury as a site for the federal capital. Whether Albury is suitable or not, is a matter which I do not think we are called upon at the present time to determine. In the first place, the fact that the Ministry, after careful consideration, have deemed it advisable to get further expert evidence, weighs with me in thinking that the matter should be left open for further consideration. I take it that this motion is to a certain extent a judgment. I presume that the Minister is asking us to pronounce judgment upon the five sites named in the motion, to the exclusion of all the others which honorable members who accompanied him on the tour of inspection, visited, and it is for that reason that I ask him to include Armidale in the list.

Sir WILLIAM LYNE.—I shall not oppose the amendment for the inclusion of Armidale, but I do not desire to see a whole shoal of names added.

Mr. L. E. GROOM.—Then I need not further urge the claims of Armidale, because they will then be properly investigated. I do not agree with the honorable member for Grampians in the view that it would be advisable to postpone this matter in order that the opinion of the electors may be taken as to the advisableness of allowing the federal capital to be anywhere in New South Wales. I take it that there were strong and urgent reasons which led to the insertion of the provision in the Constitution that the federal capital shall not be within 100 miles

of Sydney. I presume that, to a certain extent, the influences which actuated the persons concerned were the same as those which actuated Madison when he wrote his essay in the *Federalist*, in which he laid down the principle that it was absolutely essential that where there is a large central government that central government should have a city of its own, so as not to be open even to the bare suspicion of being under the dominating influence of any of the large States. Unfortunately, I believe that at the present time the Federal Parliament has the suspicion directed against it that Victorian influences are having more weight with it than they should have. That assertion, though without foundation, has been made in Queensland, and it is unfortunate that the Federal Parliament should sit anywhere under the dominating influences of any great city where powerful newspapers are published. I do not think there is any necessity to select a site in the desert wilds. We have excellent sites in towns, such as Tumut and Orange, which are not large centres of population, but are in every way suitable for the foundation of great cities.

Mr. CONROY.—Only trade makes a city.

Mr. L. E. GROOM.—If we apply that test, many sites have been selected which are centres of trade, and which may become large cities on commercial grounds. Many of the sites which we saw during our inspection are magnificent ones, but, unfortunately, owing to the way in which the lands around them are locked up, there is no development. That is one of the evils which I hope will not be perpetuated when we obtain our federal city. It is absolutely essential that we should get away from any of the large State centres of population. I believe, with the Minister, that the experts should have regard to the soil surrounding the sites, so that the one selected may become in itself a self-supporting centre. I believe that is possible, and I think we have a splendid opportunity of testing the feasibility of the idea without detriment to the Commonwealth. From that point of view we have splendid sites throughout New South Wales. I am gratified the Minister intends to include Armidale in the list to be inspected. I rose chiefly to argue not that it should be the site selected, but that in view of the very great advantages surrounding it, its claims should be considered. We see from the development

going on in Northern New Wales what are the possibilities of direction. The Armidale site is on the Queensland border, and, with reference, I say that to a certain extent it would be a powerful factor. I think it is an honorable and learned member for New South Wales, other honorable members, have said to this House that they believe it to be one of the richest States in the Commonwealth. At the present time the resources are practically undeveloped, and the area open for close settlement is unlimited. If we take the possibilities as to the future possibilities of the north of Sydney, undoubtedly in some Armidale will be the centre of population. I admit that the predictions of population will undecide where the federal capital should be, but we ought to bear in mind that we are going to select a site which, we hope, will exist for all time, and that we cannot regard to the possibilities of the future in determining where that site is to be. We should look ahead—look forward—have no doubt that if honorable members do their duty Armidale will receive fair consideration. I need not further argue because the Minister has promised that the site will be included in the list.

JOSEPH COOK (Parramatta).—I intend to say very much—

WILLIAM LYNE.—Except to congratulate

JOSEPH COOK.—No; I see no occasion for congratulation. I am going to say with great delight that this question has been brought to an issue of some sort. There has been very great delay in dealing with it, but all that is over now, and we are at least to cry over spilt milk. The question of the selection of the site has already been jeopardized by the agreement which has taken place. I am strongly of opinion to that conclusion by reason of the agreement which has taken place to-night in this Chamber, to-night, work is projected which, in my humble judgment, cannot possibly be carried out by the next session opens, and unless we take steps at once to lighten the load on the experts who are to be appointed, I think it will take us all our time to make a decision during the present Parliament. I am very glad to be agreeably surprised in that respect, but we ought to make a serious effort to-night to lighten

the responsibility which we propose to put on the experts. I tell the House candidly that I do not see any very great need for the proposed expert committee. We have a mass of evidence available, which, if perused and thoroughly considered, is sufficient to enable us to arrive at a decision. I venture to say that the report of the experts will not be so valuable, from many points of view, as the report already made by Mr. Oliver, the President of the Land Appeal Court of New South Wales. It is of no use to blink the fact that State prejudices will have to be considered if these experts are appointed from the various States, but there can be no suspicion of prejudice attaching to the report of Mr. Oliver. That gentleman had no interest to serve except to select the most eligible sites in New South Wales, and investigate them thoroughly.

Mr. ISAACS.—Mr. Oliver did introduce political considerations.

Mr. THOMSON.—And decided against them.

Mr. ISAACS.—Not altogether.

Mr. JOSEPH COOK.—Most unquestionably the final suggestions of Mr. Oliver are absolutely free from any bias whatever, and must be so in their very nature.

Mr. CROUCH.—Mr. Oliver said that Albury was too far away from Sydney to be considered.

Mr. JOSEPH COOK.—And therein I see no suspicion of prejudice, but only a consideration of the provision in the Constitution. The honorable and learned member for Indi has pleaded the cause of Albury, and endeavoured to show its eligibility as a centre for Australia, but he has conveniently forgotten to say a word about the bargain entered into with New South Wales. What we have to consider is not the mere letter of the agreement, but its substantiality and spirit. Does that agreement mean substantially that the federal capital is to be fixed at the remotest confines of New South Wales? Was that the bargain entered into by New South Wales when she finally accepted federation?

Mr. ISAACS.—Is that not a matter to be considered hereafter?

Mr. JOSEPH COOK.—Certainly not. When the honorable and learned member begins to argue the eligibility of Albury, we must regard the question from the point of view of first principles; we must look at the bargain made with New South Wales,

and endeavour to interpret it honestly and fairly. I do not wish to say a word against Albury, except that to fix the capital there would be to break the spirit of the bond. It is provided by the Constitution that the Commonwealth Parliament shall meet in Melbourne until it can meet in the federal capital in New South Wales, and that there must be 100 miles between Sydney and the federal capital.

Mr. SAWERS.—I suppose the honorable member would fix the capital 101 miles from Sydney?

Mr. JOSEPH COOK.—I say that the bargain would be kept more nearly if the capital were 101 miles from Sydney; that I should regard as a fair interpretation of the agreement. Would it be a fair reading of the Constitution if, after Parliament had met in Melbourne for five years, the federal capital were fixed at a place hundreds of miles nearer to Melbourne than to Sydney?

Mr. SAWERS.—Certainly, if it were a more suitable place.

Mr. JOSEPH COOK.—I am sorry to hear a New South Wales member talking in that way.

Mr. ISAACS.—The honorable member for New England is speaking as an Australian member.

Mr. JOSEPH COOK.—I am very sorry that I cannot rise to those Australian altitudes, and I tell honorable members frankly that I have no ambition to do so. I am having regard to the arrangement which was made at the Federal Convention, and embodied in the Constitution, and unquestionably the meaning was that the capital should be placed as nearly as possible to Sydney.

Mr. ISAACS.—That is a very novel construction.

Mr. JOSEPH COOK.—I believe that the people of Sydney would just as soon leave the federal capital at Melbourne as have it fixed at Albury.

Mr. SAWERS.—Why was not the bargain made not to have the federal capital within 200 miles of the border?

Mr. JOSEPH COOK.—I see the honorable member is trying to take advantage of a loophole in the federal compact. It might have been better if the arrangement had been more clearly defined, but the people of New South Wales clearly understood, as a result of the last Premier's conference, that the federal capital had to be on an eligible site, as nearly as possible 100

miles from Sydney. That is a point of view which seems to have been lost sight of; but it ought to be our first consideration. In my opinion, a large and costly committee of experts does not bode a very speedy solution of the difficulty. These gentlemen, apparently, are to roam all over New South Wales, and all the sites previously inspected have to come under review. Having regard to the time occupied by Mr. Oliver in his investigation, I do not see how it is possible to expect the report of the experts by April next. But there is no necessity to ask the experts to report on all the matters mentioned in the motion. Can experts tell us any more than we already know about the accessibility of the sites mentioned? Do we not all know how accessible or inaccessible Albury or Bombala is? There have been estimates galore as to Bombala in both New South Wales and Victoria, and we had further estimates in Mr. Oliver's report. We know all about the accessibility of Lake George, and we have the same knowledge concerning Tumut. Where is the need to traverse well-beaten ground? If there were rival schemes of connexion which would make the distances considerably shorter, I could understand this proposal for further inquiry; but as it is, we have all the knowledge about accessibility that can possibly be available for experts. Then, surely, by this time we know all about the climate. Are we to give ourselves credit for no knowledge obtained during the trips which took place? Why did we go if not to test for ourselves the questions of climate and physical conditions and features? In my opinion, the point of climate might well be eliminated from the scope of inquiry. As to "general suitability for the capital site," I can see very little difference between a report on that point and a definite recommendation; and the question of suitability is one which we might well determine for ourselves. If experts must be sent, then they ought to be asked to report only on the questions of building materials, drainage, and water supply. We know all about the values of the land and the qualities of the soil; this is common knowledge in the State Government departments of New South Wales and Victoria. We shall be wasting the time of the experts, as well as prolonging the investigation, if we give the experts all this ground to cover once more, and I hope the Minister will consent to eliminate all the items but the three I have

I very much doubt whether to leave in the words, "and such matters as may be approved honorable the Minister for Home Affairs. The experts ought to be confined to what we send them to investigate, without further loading their commission. At any time of day we know all the matters connected with the problem has to be solved, and I do not think that many honorable members will have further information except at the three points I have indicated. If any honorable member does desire further information, that is easily available, and matters of fact and not of opinion. On the whole, I think that any honorable member for Kennedy would be well advised if he withdrew his amendment. There seems to be some connexion with the matter, in any case the amendment cannot make much difference. I do urge, however, that the House might do better to deal with Albury in connexion with a federal site. If the site were a place like Albury, at the remotest of New South Wales, I think that we should depart very far from the spirit of the bargain made at the State.

MR. CONROY (Werriwa).—I regret that the Minister for Home Affairs has taken a course which will not further the solution of this question. It is perfectly correct that the report of the experts cannot be brought before the House before July or June. We already have examined the sites by Mr. Oliver, who was sent by the Minister for Home Affairs to examine a number of the New South Wales sites, and a perusal of these reports by Mr. Oliver went very thoroughly to work, and dealt with almost every

fact. It is an excellent report for New South Wales stand-point.

MR. CONROY.—So far as I can judge, the report is quite unbiased. He has reported on the accessibility of the

fact. Accessibility from where,

MR. CONROY.—If the honorable member for Corio will look at the map, he will find that in every case Mr. Oliver considered the distances from Mel-

MR. CROUCH.—I have read the report. Mr. Oliver considered Melbourne in order to decide against it.

MR. CONROY.—There was no difference made in that respect, Mr. Oliver in every case considering not only Melbourne, but Adelaide, Perth, Brisbane, and Hobart. Albury, Bombala, Orange, Lake George, and Tumut have all been reported upon by Mr. Oliver from the point of view of their accessibility, and there is absolutely no need to institute any further inquiries in that direction. The figures have been given by competent surveyors, and these cannot be questioned. Similarly in regard to building materials we have not only a report from Mr. Oliver, but the evidence of men who were examined at each of the sites concerning the suitability of the timber in the locality for building purposes, and the quantity and quality of the stone available. The question, therefore, has been exhaustively inquired into. As to climatic conditions honorable members will notice that Mr. Oliver has supplied us with the mean temperature at the various sites, their altitude above sea level, and the mean altitude. Under the heading of "physical conditions," we find that the nature of the soil, and the drainage of the different localities have been fully dealt with. The committee are also to be invited to report upon the water supply, rainfall, and general suitability of the various sites. All these matters have been reported upon by Mr. Oliver. What additional information, therefore, can we derive from the appointment of this body?

SIR WILLIAM LYNE.—A great deal.

MR. CONROY.—Can the Minister suggest one direction in which we shall add to our knowledge? He was at such a loss to suggest any additional features that he was compelled to include in the resolution the words "other salient matters." Is not this resolution being submitted as a pretext for delaying a speedy settlement of this important matter?

SIR WILLIAM LYNE.—That is not a fair suggestion.

MR. CONROY.—What other reason can there be? The Minister is evidently desirous of making a little political capital out of it. Why should he not be perfectly candid and openly declare that he is a little weak in his electorate, and that that is his object? I would further point out that four of the chief professional men in Australia

have already reported upon the suitability of the different sites for building purposes. These gentlemen include Mr. Mansfield, a Fellow of the Institute of Architects; Mr. Vernon, the Government architect of New South Wales; Mr. John Barlow, the president of the Institute of Architects in Sydney; and Mr. Knibbs, who is president of the Institute of Surveyors.

Mr. ISAACS.—Is the honorable and learned member altogether opposed to the appointment of the proposed committee?

Mr. CONROY.—Yes; upon the ground that it is a mere pretext for delaying an early settlement of this matter. If the honorable and learned member can show me one piece of new information that can be obtained by adopting the course proposed I shall be entirely with him.

Mr. ISAACS.—We have had no federal report upon the matter.

Mr. CONROY.—We have had a report prepared by men who are admittedly impartial.

Mr. ISAACS.—That is a report to a particular State and not to the Federation.

Mr. CONROY.—That report was prepared solely for the purpose of enabling this Parliament to choose the most suitable site.

Mr. A. McLEAN.—Does the honorable and learned member advocate that we should do nothing until next session?

Mr. CONROY.—I want the matter settled this session.

Mr. A. McLEAN.—Is that possible?

Mr. CONROY.—Why not? We can gain no information upon these sites which is not contained in Mr. Oliver's report. I understand from the Minister that Yass—which was one of the three sites recommended by the New South Wales commissioner, and which is omitted from this resolution—is now to be included in the Lake George site. Therefore I shall not say any more upon that point. Personally, I think there is a majority in this Parliament in favour of eliminating from the Constitution the provision that the federal capital must not be located anywhere within 100 miles of Sydney.

Mr. ISAACS.—Strike out all the limitations, and leave the matter to Parliament.

Mr. CONROY.—That would be a direct violation of the compact which was entered into with New South Wales.

Mr. ISAACS.—Not more than would the course which the honorable and learned member suggests.

Mr. CONROY.—I think so. Possibly next May or June it will be found that the quickest way to overcome the difficulty imposed by the Constitution is to strike out the 100 miles limitation. That would permit of Parliament choosing any site in New South Wales. Then in the following December, when the elections for the Senate take place, the resolution of Parliament affirming the desirability of effecting this change could be placed before the people without any additional expense. However, the feeling of the House is apparently in favour of the appointment of this committee, and therefore I shall content myself with placing upon record my protest. Six months hence, when the report of the committee is presented, I am satisfied that it will be found that nothing new has been added to the information which the House already possesses, and that therefore a useless expenditure has been incurred.

Mr. SALMON (Laanecoorie).—I desire to express my astonishment at the new reading which has been given to the bargain which was entered into by the premiers of the various States in respect of the federal capital site. I have always expressed my utter abhorrence of that bargain. It should not have been necessary in the first instance, and it would have been more dignified for the States to refuse to enter into it. It was a compact between politicians, not between the people of the States. I cannot believe that the electors of New South Wales had such a low opinion of their duty to, not only their own State, but to the future union, as to demand such terms. Now, however, we have received a new reading of the compact. We are told that, if the spirit of the bargain is complied with, the federal capital will be located as nearly as possible to the 100 miles limit, and that the knowledge of that fact actuated the people of New South Wales in accepting the Constitution. If that is so, they carefully disguised their feelings, because, although I have followed federal affairs pretty closely, this is the first occasion upon which I have heard a pronouncement to that effect. I was quite prepared to accept any site which might be selected, either by the Parliament of New South Wales or by the members of this House who represent that State, because I have no preference for any particular site, and I feel that any place so chosen would meet all requirements. Mr. Commissioner

his report to the Government of New South Wales, states that he divested himself of all State prejudices and local interests and investigated the matter from a strictly national point of view. The honorable member for Corio suggested that the reason why he did not recommend the site of the Albury was that it was too far from Sydney, but the honorable member for Werriwa gave a denial to this suggestion, and said that no such objection appears in the report. It is true that Mr. Oliver did not reject the Albury site because it is too far from Sydney, but from the report that he rejected it because it is too near to Victoria. On the basis of that document, he says—

"The matter of accessibility, Albury is about 100 miles from Sydney as from Melbourne. . . . The commercial consummation of Federal unity and the federal capital of the Commonwealth, if located there, must be dominated by the great State and its metropolis for all practical purposes, for trade will then be governed by the conditions of cheaper access to the best market."

That is the first intimation, but it is not direct as the expressions used by the honorable member for Parramatta, that the site of New South Wales are of such a nature that a site should be chosen as far as possible to the 100 miles limit. I intend to speak in this debate, but I could not have done so, but for the fact to which I am now replying. I think the selection of the federal capital is an important matter, and I agree with the honorable and learned member for Sydney, that it is absolutely necessary that the seat of government shall be within an area which will be the property of the Commonwealth, and not be subject to the domination of any one State or of any State capital. Personally, I would suit my own convenience if the seat of government were situated near our larger cities, say Melbourne or Sydney, but I know that that is impossible, and that at the time of the referendum it was decided that Sydney, Ballarat, Melbourne or some other city should be the seat of government, were the terms of the Constitution. I have been compelled to speak upon this subject to-night by the unfair and selfish interpretation which has been put upon that unholy compact. As an Australian, I say that if we allow the

commercial needs or desires of the people of Sydney to prevail in this matter we shall be doing a very unfortunate thing, and committing a blunder which we shall in the immediate future sincerely regret. Under these circumstances I am inclined to reconsider my previous decision, and to resolve to exercise all my influence in the direction of securing a site which I believe will answer the calls which may be made upon it. If this Chamber is to be converted into an arena of conflict between State interests I cannot refrain from taking part in that conflict. But I urge honorable members, and especially the representatives of the mother State, to approach this great question in the most broad and open-minded fashion. We should endeavour to do our duty in such a way as will secure for the Commonwealth a site which will possess all the advantages which we hope for, and which will assist to make it an object lesson to the rest of the world.

Mr. HENRY WILLIS (Robertson).—I think that the Minister for Home Affairs has done the correct thing in bringing forward this motion. The report of Mr. Commissioner Oliver is a very exhaustive and valuable one, but since I have visited the sites to which it refers I have come to the conclusion that we require further information from hydraulic engineers, experts on the quality of soil, and others, in regard to several of them. I think that honorable members generally are of opinion that the Lake George site, the Bathurst site, and the Lyndhurst or Carcoar site, which are amongst the best of those which were visited, should be further investigated. I do not wish to go too far in expressing an opinion upon the advantages of the last of those sites, but a great deal was said to us upon the spot in regard to its possibilities, its water supply, and the facilities for water conservation near at hand. It is not my intention, however, to deal with the merits of the various proposed sites, because we shall have another opportunity to do that. While a great deal has been said which must have been irritating to the Minister for Home Affairs, I am of opinion that up to within the last three or four months he has done everything that could be done in the matter now under consideration. He arranged for visits of inspection to the proposed sites by members of the Senate, and by members of this House,

and he gave the matter as much prominence as could be given to it by one Minister in a Cabinet whose members generally are not enthusiastic about leaving Melbourne. I feel it is my duty, therefore, to say something by way of encouragement to him. No one expects the question to be settled this session, and if the proposed commission is appointed and makes investigation, we shall have before us next session a report prepared by a Commonwealth authority, upon which, in conjunction with the voluminous information contained in Mr. Oliver's report, and the evidence afforded by our visits of inspection, we can finally deal with the matter.

Mr. JOSEPH COOK.—The honorable member thinks that there has been no delay?

Mr. HENRY WILLIS.—Until the last three or four months there has been none, and if I had been in the Minister's position, and had been badgered as he has been badgered, I should not have moved any more quickly. The rancour which has been shown during the debate, and the innuendoes and insinuations levelled against the Minister, were quite uncalled for. I am here to consider the interests of Australia as a whole, and if any honorable member happens to lose his head, and to say things which in his calm moments he would not say, I shall not be ready to support him. What has been lost by the inaction of the Minister during the past three or four months? Nothing. Nothing can be done by this Parliament until next session. The Minister is doing his very best, and I hope that he will adopt the suggestions that Bathurst and Lyndhurst, as well as Armidale, should be included amongst the sites to be reported upon.

Sir WILLIAM LYNE.—I have agreed to that.

Mr. HENRY WILLIS.—If the honorable and learned member for Indi had not left the Chamber, I should have directed his attention to the information contained in Mr. Oliver's reports with regard to the relative distances of the various sites suggested, including Albury, from the capital cities of Australia. I hope that the committee will consist of the most capable officers to be found within the public service, and that it will include a highly competent hydraulic engineer, and several practical men. I agree entirely with the proposal, and I hope it will be carried to a

successful issue, and that the federal capital site will be finally selected next session.

Mr. THOMSON (North Sydney).—I see considerable force in the point raised by the honorable member for Parramatta, that in requiring from the experts a full report as to the accessibility of the sites, the building materials available, and the other matters referred to in the motion, we shall ask them to repeat a great deal of the work that has already been done in connexion with subjects upon which no further information can be gained. I do not wish to limit the scope of the inquiry in such a way as to prevent them from furnishing us with any additional information that may prove of advantage to us in coming to a final decision upon this question, but I think we ought to make it clear that we do not wish them to travel over ground that has already been covered, unless there is a fair prospect of beneficial results. I suggest that the motion should be amended so as to indicate the intention of Parliament. I am sure that the Minister has no intention that the experts should enter upon their investigation as if no inquiries had been made, but that he desires that they should make use of the reliable data already gathered. Therefore, I suggest that the last sentence of the motion should be amended to read—"Such committee to avail itself of all reliable data already gathered, and to submit its report to the Federal Government on or before the 30th April next." Parliament ought to indicate its wishes in such a way as to save delay and expense, and to remove any doubts that might rest in the minds of the committee or of the Minister as to what is desired.

Mr. MAUGER.—Would the honorable member leave it to the committee to decide as to what is reliable evidence?

Mr. THOMSON.—Certainly. It is not desired that this should be a fresh investigation from the beginning.

Sir WILLIAM LYNE.—I desire that it should be a fresh investigation.

Mr. THOMSON.—Does the Minister desire the committee to gather information that has already been obtained, and that is beyond question, from the same sources that were available to Mr. Oliver and others? A great deal of important data has been supplied by independent officers, who would have to be relied upon by the experts. The alternative would be to obtain similar information from other officers, perhaps as

med, but in no better position to get the data required. I very much fear the whole ground will be gone over and that unlimited expense will be incurred unless we amend the motion in the way

The cost will not be restricted to the expenses of the experts, but they will employ a numerous body of men to do the work. It should be made clear to them that they are to accept already gathered facts and the reliability of which they can judge for themselves.

LAUGER.—Surely they would do

THOMSON.—But the Minister says he desires to have a fresh investigation from the beginning.

WILLIAM LYNE.—I wish them to get a good deal of the information given in Mr. Oliver's report.

THOMSON.—Surely the Minister will not object to the experts accepting the information?

WILLIAM LYNE.—I hope the honorable member will not press his amendment.

THOMSON.—I think it is very desirable.

MR. COOK.—I do not see that it is of any value.

THOMSON.—If the report of the experts were accompanied by a very large number of honorable members might be disposed of by them. They had gone over all the old sites. The experts might very well reply that they were asked to make the fullest investigation, and that they could not do the results of any previous investigation and therefore thought it necessary to start from the beginning. The experts have a perfect right to express any opinion they chose, and to draw any conclusions they might think fit, but any information already obtained from reliable sources ought to be accepted by them. Undoubtedly this, it will be impossible for the experts to furnish us with a report by the 30th April. They will examine the whole of the sites available to their resources in building materials; to examine and test the soil in each locality; to obtain information as to the amount of water which runs in different streams in different seasons and they may even have to test the soil for themselves. Therefore, notwithstanding their labours be gigantic, but the expenses will be enormous, and the

preparation of the report will be very much delayed. I regret that very strong reflections have been made upon Mr. Oliver's report. He has been accused of bias, but if there is one thing for which Mr. Oliver deserves credit, it is the unbiased nature of his statements. It is quite true, as has been stated by the honorable member for Corio, that Mr. Oliver pointed out that Albury was not satisfactory as a site for the federal capital because it was too close to Melbourne and too far away from Sydney; but did he give Sydney any advantage in his final selection? Did he not recommend a site that was almost equidistant between the two capitals? How can he be accused of bias under such circumstances? How is he to be accused of allowing prejudice for Sydney to influence him in his report? The very considerations which induced him to reject Albury on the ground that it was too near to one capital, influenced him in selecting a site midway between the two capitals. I was rather surprised that the honorable and learned member for Indi should introduce into this debate the advocacy of any particular site. This is not the place for that. I am quite willing to admit Albury to the list of places which are to be inspected and reported upon, but I demur to the remark of the honorable and learned member for Indi that the interests of particular States should be taken into consideration. The interests of no State should be taken into account, except so far as the Constitution provides. It is the interests of Australia that should be borne in mind, and the interests of the people of Australia, not of to-day merely, but of the future. We are not establishing a capital for the present, and we must take into account the requirements of the people of the future. Objection has been taken to Mr. Oliver's remarks with regard to Albury, and also to some observations made by honorable members on this side, to the effect that the selection of Albury would not be a fair fulfilment of the terms of the Constitution. The selection of that site would almost amount to a breach of the letter of the Constitution—an extension for 150 yards more to the south would make it an absolute breach of the letter of the Constitution.

Mr. A. McLEAN.—The same argument would apply to a site 101 miles from Sydney.

Mr. THOMSON.—I am not speaking against Albury on that account, but I contend that it would be an absolute breach of both the letter and the spirit of the Constitution if Albury were selected, not on account of its superior suitability and its superior location in view of the interests of the whole of Australia, but because it is on the extreme limit of New South Wales territory. I think that in order to safeguard our own interests, and to facilitate the work of the committee, we should indicate in the motion what course we desire them to adopt. I, therefore, suggest the following amendment—

That the words "committee to avail itself of all reliable data already gathered and its" be inserted after the word "such."

I hope the Minister will accept this amendment.

Mr. BROWN (Canobolas).—I quite agree with the principle laid down by the honorable and learned member for Indi as to the character of the discussion which should take place upon this motion. We should not consider the special merits of any particular site for final selection, but hold in view the general claims of the sites upon which it is proposed to ask the committee of experts to report. That being so I do not propose to enter into a discussion of the special qualifications of sites suggested, but to consider the arguments which have been brought forward in connexion with the appointment of the committee. Reference has been made to the report compiled at the instance of the State Government of New South Wales by Mr. Oliver. That is a very valuable and most unbiased report, and it states the position, not from the parochial or State stand-point, but from the general Commonwealth stand-point as far as the very able gentleman who was the commissioner was competent to state it. When that report comes to be reviewed by the Expert Board I think that the conclusions arrived at by Mr. Oliver will be very generally accepted. But, on the other hand there is a need for the appointment of a board of the description proposed. At the time Mr. Oliver made his investigations he had to break, as it were, virgin soil. Then again, since that time, there have been considerable changes that, no doubt, would modify Mr. Oliver's conclusions if he were to consider the claims of the respective sites from the present day's stand-point. Take, for instance, the case of

Tumut. In his original report Mr. Oliver did not consider that Tumut was so situated as far as accessibility was concerned as to warrant him in making any recommendation with respect to it. But subsequently the State Government approved of a railway extension to that town, and the result of this increased accessibility led Mr. Oliver very carefully to modify his report. So, at least, I am informed; and it is largely in consequence of subsequent recommendations not contained in the original report submitted to the Government, and in view of this greater accessibility, that the Minister for Home Affairs was led to include Tumut amongst the places which he proposes to submit to the Board of Experts. The same remark may possibly apply to other sites. I am glad to know that the Minister now proposes to include Armidale. Mr. Oliver in his report did not consider that Armidale was one of the places, the claims of which should be seriously entertained. Since then he has been asked to make a supplementary report, which has not yet been made available to the members of this House. I understand from the remarks of the Minister this afternoon, that even he has not been placed in possession of that report. But judging from local newspapers' statements, it appears that Mr. Oliver's supplementary report is very much more favorable to the Armidale site than was his original report. A similar consideration applies with respect to the Canobolas or Orange site, which also engaged the very careful consideration of Mr. Oliver, no doubt largely from the fact that he regarded it as one of those sites which were amongst the three that he finally recommended in his report. That being so, he gave that site more minute attention and consideration than probably he was disposed to devote to other places, such as Tumut and Armidale. But since the compilation of his report the State Government have had further inquiries made by experts. I know that for a considerable time a very competent engineer from the Public Works department, Mr. Wade, and others under him, have been investigating the water supply. That was one of the points on which Mr. Oliver considered that Canobolas did not stand as favorably as might be wished by those who considered that that site had special claims. Whilst I have not seen the report of those other expert officers of the State

ent, I am led to suppose that its contents Mr. Oliver has very fully modified the opinions he held compiled his original report. Again, I know that very exhaustive investigations have been made by a very geologist in New South Wales, Milne Curran, as a result of which formulated a very valuable report building material of the district, &c. I understand that that report does not come under the notice of Mr. Oliver. There is no doubt that these investigations will be made available to the Commonwealth expert committee. This, to my mind, all points to the fact that despite the very exhaustive investigation made by Mr. Oliver, there is still need for further investigations and fresh opinion, which the board of experts will be able to elicit. Therefore, I am favorable to the appointment of this Board, and, even if it does mean some delay, which ought to be unreasonable in extent, the delay is of such magnitude to the benefit of Australia, not only now but for all time, that no effort should be spared to get the fullest amount of investigation possible, so as to place members of this Parliament, I hope, but this at any rate, in such a position that they will justify the wisdom of their decision. I am glad to know that the Board proposes to so widen the scope of its inquiry by the board of experts as to include Armidale. I also understand that the Board proposes to embrace in the consideration the Orange site the other suggestions of Lyndhurst and Bathurst. I am going to urge any objections to the Board at the end of the inquiry. I am aware that those sites have had ample consideration from Mr. Oliver, and that, after the respective claims of the three, and that, all things considered, the Orange and the superior claims, and hence I decided that site. I have no doubt that there is something very substantial in the investigation which led Mr. Oliver to make this commendation on behalf of what is the Orange or Canobolas site. There can be no doubt that Mr. Oliver has raised the question from the stand-point as indicated in the Constitution as a minimum area. I agree with those in the Chamber and outside, who hold that if a site is selected it is wise to secure a reasonably sized area, because as the

requirements of the federal capital grow, if the area is too small it will be impossible to remedy the defect. It is much wiser to err a little on the side of taking in perhaps a considerable slice of land rather than to take in an area that will prove too limited for the requirements of the federal capital. That being so, I think that the Lyndhurst site, and possibly the Bathurst site, ought to be included amongst the sites which are to be considered in the western district. I think that the site of Yass should receive more consideration than has appeared to be the case from the resolution submitted by the Minister. I was not quite clear whether the honorable and learned member for Werriwa, who represents the district, got a promise from the Minister that Yass should receive special consideration, but the fact that Mr. Oliver was induced to make special mention of this site—to include it amongst the three that he specially recommended—is sufficient to warrant Yass receiving more than passing consideration. I trust that in the investigation that is to be made by the Board of Experts they will have power to consider the special claims of the Yass site. As to the amendment moved by the honorable member for Kennedy for the exclusion of Albury—

Sir WILLIAM LYNE.—The honorable member is going to withdraw it.

Mr. BROWN.—I am glad of that, because I could not support an amendment of that character. There is something more to be considered than the mere question of accessibility. There is the question of whether a site, together with its surrounding districts, can support a population, and I hold that Albury has special claims in that respect. For that reason I do not favour its elimination from the motion. I do not think that anything more need be said. It is not a question affecting the merits of particular sites, but rather one of whether a committee of experts should be appointed, and, if so, what sites should be submitted to them. I am in agreement with the Minister as to the appointment of the committee. I do not share the view held by the honorable and learned member for Werriwa that there should be further delay, in order to enable an amendment of the Constitution to be submitted to the people. If there is to be any alteration, the request for it, at least, should come not only from the people of New South Wales, but from the people of the

Commonwealth as a whole. The House should be reasonably satisfied that there is a demand for an amendment of the Constitution strong enough to warrant it in anticipating that as a result of calling into play the requirements of the Constitution in regard to its amendment, an amendment would be made. I am not in sympathy with the suggestion made by the honorable and learned member for Werriwa, as there has been no such request from the electors of any of the States. I shall support the Minister, but I hope he will see his way to include Yass in the list of sites to be inspected. I trust that he will be able to announce to the House before the close of the session the personnel of the committee which he proposes to appoint.

Mr. McDONALD (Kennedy).—I beg leave to withdraw my amendment.

Amendment by leave withdrawn.

Amendment (by Mr. SAWERS) again proposed—

That the word "Armidale" be inserted after the word "Albury."

Mr. CLARKE (Cowper).—I wish to put a question to the Minister, but before doing so I desire to say that I am glad that he has consented to include Armidale in the list of sites to be referred to the committee of experts. Armidale is centrally situated so far as Australia is concerned, and every place which has a claim to be considered—and I contend that Armidale has a claim—should receive fair play. The question I wish to ask is this—Does the Minister intend to incorporate the Dalgety site with Bombala? It was proposed by Mr. Oliver that Buckley's Crossing, otherwise known as Dalgety, should be incorporated with the Bombala site. In the official pamphlet which has been circulated reference is made to a plan and description of boundaries in the appendix marked S. I presume that the Minister has a copy of the plan referred to, and I desire to know whether the Bombala site which he proposes to submit to the committee is identical with the incorporated site or whether it is the original one.

Sir WILLIAM LYNE.—It is the first site of Bombala.

Mr. CLARKE.—It seems to me to be a pity that the inquiry should be restricted to the first site of Bombala, because Dalgety embraces the Snowy River and the possible water supply of the Bombala site.

Mr. BAMFORD.—I think most honorable members understood that the Bombala site included Dalgety.

Mr. CLARKE.—The Minister has just informed the House that he proposes to submit only the original Bombala site. Perhaps I shall bring more clearly to the memory of the Minister the position in regard to Dalgety by reading a paragraph from the official pamphlet prepared by himself as Minister for Home Affairs. The paragraph is as follows:—

No public inquiry was held at *Buckley's Crossing*; but, although in regard to water resources, position, character of country, and climate, that site had much to recommend it, yet it lacked those special features which the neighbour site of Southern Monaro possessed, and suggested a modified incorporation with that neighbour rather than independent competition. Such incorporation, it will be seen, has been suggested. (See plan and description of boundaries of Southern Monaro extension site marked "S" in appendix.) What I wish to suggest is that he should include Buckley's Crossing as embracing the possible water supply of the Bombala site.

Sir WILLIAM LYNE.—I shall include it so far as the water supply is concerned.

Mr. CLARKE.—That is all that is necessary. I should like to have a clear understanding that that part of the scheme known as Dalgety will be considered by the experts in connexion with the question of water supply.

Sir WILLIAM LYNE.—It will be so considered.

Mr. FULLER (Illawarra).—I rise for the purpose of supporting the amendment of which notice has been given by the honorable member for North Sydney.

Sir WILLIAM LYNE.—If it is submitted, I shall have to move the adjournment of the debate, because many honorable members are absent, and it would not be fair to take a vote in their absence.

Mr. FULLER.—I shall support the amendment, which I think is very necessary. I am one of those representatives from New South Wales who think that the selection of the federal capital has not been pushed forward with that expedition to which it is entitled. I disagree with the remarks made by the honorable member for Robertson that the Minister for Home Affairs has done everything that could be done to carry out the compact made with the people of New South Wales. If a committee of experts is necessary—and perhaps it is in connexion with some matters—it

have been appointed months and years ago. But for the delay which has taken place we might now have had the committee's report, and the House might have arrived at a decision. The amendment of which notice has been given by the honorable member for North Sydney has my hearty approval. The Minister for Home Affairs appointed Mr. Oliver to make inquiries, and he knows that he is perhaps the most capable man that could be obtained in New South Wales to go into the matter. If the amendment is carried, the committee will be able to make use of all the information which Mr. Oliver has gathered at great pains and trouble, and that way much time will be saved.

WILLIAM LYNE.—I cannot accept that amendment, because I think it is a limitation which ought not to be introduced. I do what is right, and I do not think it fair to make an alteration of the kind proposed.

MR. FULLER.—The inquiries as to acclimatisation, building materials, and so forth have been made by Mr. Oliver, and there is no necessity for further investigation. The facts in relation to those matters have all been ascertained on sworn evidence by the commissioner, and it would be a waste of time for the committee of inquiry to make any further inquiry in relation to them. If the experts are to inquire into all these matters, their report, instead of being ready in April next, will not be ready for another three years, and therefore in order to avoid further delay, I intend to support the amendment. The people of New South Wales are entitled to this matter settled expeditiously.

WILLIAM LYNE.—This is another case of blocking.

MR. FULLER.—I am not trying to block this matter. I am trying to push it forward. I feel satisfied that if the committee of experts are called upon to inquire into all these matters delay will be occasioned which could be avoided by taking the commissioner's report on the ascertained facts.

It is ludicrous for the Minister to say that I am taking this stand simply for the purpose of blocking the business. I assure the Minister has been sincere in his desire to push the matter forward, but he has been prevented by his colleagues and the press.

WILLIAM LYNE.—That is not correct. My colleagues have stood loyally by me.

MR. FULLER.—If they have done so, then both the Minister for Home Affairs and the Prime Minister have done very little in the interests of the people of New South Wales, whom they represent. I, as a representative of the people of that State, feel very strongly in this matter. A compact was entered into that the capital should be in New South Wales, and in voting for federation a number of people in that State were influenced by the insertion of this provision in the Constitution. I am sorry that the Minister should have accused me of attempting to delay the settlement of the question, because, as a matter of fact, I am doing all that I can to forward it.

Amendment agreed to.

Amendment (by Mr. SYDNEY SMITH) agreed to—

That the words "and in consequence of their proximity, Bathurst and Lyndhurst" be inserted after the word "Orange."

MR. CONROY (Werriwa).—I desire to move that Goulburn be added to the list of sites to be inspected.

MR. SPEAKER.—The honorable and learned member cannot move that now.

Amendment (by Mr. A. PATERSON) proposed—

That the words "Goulburn and Yass" be inserted after the word "Tumut."

SIR WILLIAM LYNE.—I feel that at this late hour I must move the adjournment of the debate, for the simple reason that in a thin House an attempt is being made to take an advantage of me. I was promised that such an attempt would not be made, and the amendment proposed is one to which I cannot agree. Only within the last few minutes have I received information that the amendments would be moved. Honorable members have left the Chamber, and I may now be in a minority. If the amendments are persisted in I must move the adjournment of the debate, because I cannot accept either. I intended, in reply, to make some reference to Goulburn and Yass, but I may say now that I cannot accept a proposal to include these places in the same definite way as are other places. Then another amendment is to be moved which, in my estimation will altogether destroy the effect of the motion; indeed I could not accept the motion passed with such an amendment.

MR. JOSEPH COOK (Parramatta).—I am interested in listening to-night to the

Minister's direct contradiction of some words he spoke to a reporter of the *Daily Telegraph* in Sydney, in connexion with this very matter.

Sir WILLIAM LYNE.—That is not correct.

Mr. JOSEPH COOK.—The words can be found in the *Daily Telegraph* report of an interview, in which the Minister, replying to my criticisms, said—"The honorable member forgets that Lake George includes Yass and Goulburn."

Mr. L. E. GROOM.—Was the Minister referring to this particular motion?

Mr. JOSEPH COOK.—Certainly; the Minister was referring to the decision of the Cabinet in regard to these five sites. When I criticised his action in inserting Albury in the list and removing Goulburn, his reply was that which I have quoted, but to-night he tells the House that he will not include Goulburn and Yass; that rather than do so he will move the adjournment of the debate. That is a direct contradiction of the statement made in the interview.

Sir WILLIAM LYNE.—The honorable member is quite incorrect.

Mr. CONROY (Werriwa).—I would remind the Minister that the other day in Sydney he pointed out that the Lake George site necessarily included the other sites in its vicinity. If we are not to have the capital in Sydney, Goulburn deserves consideration as a large inland town on the main line. As to Yass, that site has already been reported on by Mr. Oliver, and recommended as one to be considered by Parliament. In view of what the Minister said the other day, I am surprised at the attitude he has now assumed. It is unnecessary for me to dwell further on the matter, because both sites were visited by Members of Parliament, who are well aware of the attendant advantages or disadvantages. I hope that the Minister will reconsider his position, and consent to the addition to the report of any further information which may be forthcoming respecting these sites. I do not wish evidence to be repeated, but only that any fresh information may be taken advantage of.

Sir WILLIAM LYNE.—I told the honorable member some time ago that I would take care to do what he now suggests, but I do not wish to have these sites included in the way now proposed. I shall take care to see that they are carefully considered.

Mr. CONROY.—Does the Minister give his assurance that any further evidence available will be taken and added to the report?

Sir WILLIAM LYNE.—Certainly; I intend to do that, and I shall so state in my reply on the debate.

Mr. A. PATERSON.—Under the circumstances I ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

Sir WILLIAM LYNE.—I would ask the honorable member for Parramatta not to persist in the amendment he has suggested. I want all the information I can possibly get, and this amendment is to some extent bound up with the amendment which has just been withdrawn.

Mr. THOMSON.—The Minister could instruct the commissioners to make use of all reliable information.

Sir WILLIAM LYNE.—I intend that to be done.

Mr. JOSEPH COOK.—A report on "general suitability" must include a recommendation of a site.

Sir WILLIAM LYNE.—The suitability of a site is the general configuration of the country as to a variety of points. If the honorable member will withdraw his amendment, I give my word that all the available information shall be obtained, and an instruction given to see that the information is used as far as possible.

Amendment (by Mr. THOMSON) proposed—

That the words "accessibility," "climate," and "general suitability" be omitted.

Sir WILLIAM LYNE.—The honorable member for North Sydney is reasonable in all things, and I hope he will not persist with this amendment. I can give the honorable member my assurance that all the reliable information already gathered will be availed of.

Mr. THOMSON (North Sydney).—I should not like the Minister placed at a disadvantage by a division being taken to-night, but I do not desire to have any further delay. It is important that care should be taken to have all reliable data placed before the commissioner made available to the committee, but as the Minister has promised to give an instruction to that effect, I beg leave to withdraw the amendment.

Amendment, by leave, withdrawn.

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ment (by Mr. THOMSON) agreed

for the word "such," line 12, the words "to avail itself of all valuable information already gathered and its" be inserted.

SIR WILLIAM LYNE.—I have made three promises which I wish to fulfil in replying on the debate to-night.

First, I shall deal with the amendment just introduced by the honorable member for Goulburn. It is so patent that all

and reliable information existing so far as is possible, be made use of by the committee, that I have no hesita-

tion in saying I shall give an instruction to the effect. As to the report of Mr.

THOMSON, which will probably be done by the committee, will take the re-

sulting evidence on points on which they are not satisfied. That, I

think will be the course adopted right from the start and it may possibly result in a

time and expense. If the committee are satisfied with the report, so far

no doubt they will accept it, so as to cover the same ground twice. As

regarding Goulburn, I said, in submitting the report to-night, I looked upon Lake

George and Yass as to a very large extent one with the other. The water

either will practically come from the same place, and an investigation of the

in the head of the Murrumbidgee opposite Yass must

be in order to ascertain what can be done for Lake George. The investi-

gation will practically decide the supply for Yass as well as for Lake George.

Any fresh evidence of importance may be brought forward, I shall

ask the committee to use their best efforts to obtain it. Goulburn, how-

ever, occupies a somewhat different position. I am quite sure, from the configuration

of the country, whether it is possible to get water from the same catchment area

as Goulburn, and also Yass and Lake George. I only ask that any fresh

information may be taken into consideration.

SIR WILLIAM LYNE.—I have made it plain that if any evidence of a

valuable and serviceable character can be brought for the consideration of the

committee, I shall give instructions for it to be taken. But I do not

intend my motion to be hampered by a

shall examine all the sites which were visited by the parliamentary representatives.

I must express my thanks to the honorable member for Parramatta for not proceeding with his amendment, and thus preventing any further delay in carrying this motion.

MR. CONROY.—I understand that the Minister to-night says that Lake George practically includes Goulburn and Yass.

SIR WILLIAM LYNE.—Yes.

Question, as amended, resolved in the affirmative.

Resolved—That, with a view to obtain necessary information that will enable the Parliament of the Commonwealth to select a site for the seat of Government, a Committee of Experts should be appointed to examine and report upon sites in the following localities:—Albury, Armidale, Bombala, Lake George, Orange (and in consequence of their proximity, Bathurst and Lyndhurst), Tumut, in relation to accessibility, building material, climate, drainage, physical condition and soil, water supply with rainfall, general suitability, and such other salient matters as may be approved by the Honorable the Minister of Home Affairs. Such report to be submitted to the Federal Government on or before the 30th of April next.

CLAIMS AGAINST THE COMMONWEALTH BILL.

Bill presented and read a first time.

ADJOURNMENT.

ORDER OF BUSINESS.

Motion (by Sir WILLIAM LYNE) proposed—

That the House do now adjourn.

MR. McDONALD (Kennedy).—Is it the intention of the Government to sit to-morrow night? We were told in the early part of the week that it was the intention of the Government to sit on Fridays for the full day, and also on Mondays. I believe that some members, on the strength of what was stated a few days ago by the Acting Prime Minister, have made arrangements to remain in Melbourne continuously for a fortnight. By sitting on Fridays and Mondays we shall save time and probably expedite the close of the session.

MR. SYDNEY SMITH (Macquarie).—

In reference to the point raised by the honorable member for Kennedy, I am disposed to think that since the beginning of the week the circumstances which have confronted us have undergone a change. It was then

understood that the Senate would meet next week, and that there was a possibility of Parliament disposing of the business which remains during that week. But the other Chamber having adjourned until Tuesday week, it is scarcely necessary for honorable members from other States to remain in Melbourne until Saturday, seeing that in any circumstances they must attend here next week. Personally, I see no reason why we should not complete our work during the coming week.

Mr. McDONALD.—That is impossible. Unless we sit on Friday and Saturday, we shall be delayed here for another fortnight, and that will prevent some of us from getting round our electorates.

Mr. SYDNEY SMITH.—As far as I am aware, we have to deal only with the Electoral Bill and the Estimates.

Mr. McDONALD.—What about the Loan Bill?

Mr. BAMFORD.—Another Bill has just been read a first time.

Mr. SYDNEY SMITH.—What I fear is that if we sit to-morrow night and on Saturday we shall dispose of the balance of the business early next week, and then we should have to wait for the re-assembling of the Senate.

Mr. JOSEPH COOK (Parramatta).—If the House sits to-morrow night it should certainly sit on Saturday.

Mr. HENRY WILLIS.—Is it the intention of the Government to proceed with the Loan Bill?

Mr. JOSEPH COOK. — I should like to emphasize the point which has been raised by the honorable member for Kennedy. What will contribute to an amicable understanding is a definite statement by the Acting Prime Minister regarding the intentions of the Government. At the close of the session it is usual for the Ministry to take the Opposition into its confidence regarding the business with which it is intended to deal, and then both sides co-operate with a view to finishing by a certain date.

Mr. DEAKIN (Ballarat — Attorney-General).—In reply to the points which have been raised by honorable members, I desire to say that the Budget proposals include the Loan Bill. The Estimates and Loan Bill, together with the small measure, the first reading of which has just been moved, comprise all the business with which

it will be necessary to deal, with the exception of the Electoral Bill, so far as it may need further discussion. Beyond these we have cleared the business paper. I hope that honorable members will provide us with a quorum to-morrow evening, in order that we may proceed with business. If we sit to-morrow and again on Saturday until the departure of the trains for the other States, there will be no need for us to meet on Monday, and we shall have every reason to hope that by assiduous sitting—perhaps by attending on the following Friday night—we shall have completed our labours. That will be very gratifying to all of us. The proceedings during the following week will be so purely formal that they need not detain honorable members. I hope that we shall have a quorum to-morrow night, so that we may make good progress with the Estimates before next week.

Question resolved in the affirmative.

House adjourned at 10.52 p.m.

House of Representatives.

Friday, 26 September, 1902.

Mr. SPEAKER took the chair at 10.30 a.m., and read prayers.

CONDUCT OF BUSINESS.

Mr. REID.—As the Senate has adjourned until Tuesday week, it would be a great inconvenience to a number of honorable members if what I understand to be the intention of the Government in regard to an extra sitting to-day and to-morrow were persisted in. There is a general feeling on both sides of the House that the business of the session should be concluded as early as possible, and we on this side were ready to co-operate with the Government in finishing next week, but, as that is now impossible, I hope that they will meet our convenience by allowing the usual weekly adjournment this afternoon.

Mr. DEAKIN.—The members of the Government are anxious to consult the wishes of the House. We are willing to sit to-night and to-morrow, and it is our present intention to do so, but between now and the afternoon I will consult honorable members in regard to the

the action of the Senate in until Tuesday week was und and perhaps will lead them to view of the position.

ALLEY.—I indorse what has y the leader of the Opposition, e Acting Prime Minister to be so that our friends may get ir homes this evening.

MENT OF RETURNED SOLDIERS.

ONEY SMITH.—It is stated ning's *Argus* that some soldiers een serving in South Africa ydney without means, although ue to them by the military and as they were unable to money, or to get a free pass to whence they originally left, they ouldburn, and the mayor of that w interesting himself in their is disgraceful that men who heir country should be treated . Will the Minister make in- the facts of the case, and, if stated, will he take steps to see ney due to the men is paid, and re returned to Melbourne?

LIAM LYNE.—I have not yet aragraph to which the honorable fers, but I do not think the it contains are correct, because er has placed at the disposal of e department a sum of money to the returning to their homes of ave been landed at the wrong I have given instructions that hall be so returned. Some time to keep a number of men in the t Melbourne for some days re was an opportunity to send New South Wales and to s. The difficulties which mainly ue, however, to the fact that y authorities in South Africa ys discriminate between soldiers t from Australia and men who een Australiana, but who were South Africa. Besides that, quently sent to the wrong ports. e, there were landed at Hobart ay men belonging to the South regular Corps, and others who om South Australia and Western We paid the expense of return- en to their original destination,

and in another case we had to pay to bring men to Australia who had been landed in New Zealand. There are, however, a number who did not belong to any Australian contingent, and who now want us to convey them to any State they like to name.

Mr. POYNTON.—I wish to direct the attention of the Minister to what appears to me the grossest negligence, in condemnation of which I cannot find language strong enough. I was informed, on good authority, in Adelaide last week, that some of the returned soldiers have had to sleep in the park lands there because they possessed no money, though large sums were owing to them by the Imperial authorities, for which, in my opinion, the local authorities should, in the first instance, have taken responsibility, and afterwards charged their payments to the Imperial authorities. Will the Minister inquire into the matter, and ascertain how many have not been paid? I understand that some who have been back for months have not been paid. It is a scandal that men should be treated in that way.

Sir WILLIAM LYNE.—I do not know anything about the cases to which the honorable member refers, but if he will give me the names of the men who have been illtreated, or any other information upon which I can base inquiries, I will have the matter investigated. The Commonwealth Government is directly responsible for the payment only of the men belonging to the Commonwealth Horse, the States Governments having undertaken to pay the men despatched in the several States contingents.

Mr. POYNTON.—Some of the men did belong to the Commonwealth Horse.

Sir WILLIAM LYNE.—In that case, unless there is something amiss with their claims, the military authorities are censurable, and I shall take prompt measures to deal with them. It is not because there has been any shortage of funds that men have remained unpaid, because the Treasurer placed £20,000 at the credit of the Defence department to meet all these cases. With regard to the statement of the honorable member for Macquarie, I have ascertained that the men referred to were not sent from Australia at all, but were members of the Johannesburg Mounted Rifles and South African Light Horse.

Mr. SYDNEY SMITH.—But are they not Victorians?

Sir WILLIAM LYNE.—That may be, but they enlisted in South Africa, and the department is in no way responsible for them.

Mr. JOSEPH COOK.—Did they fight alongside the men sent from Australia? That is the real question.

Sir WILLIAM LYNE.—That does not affect the responsibility of the department. If any one is responsible, it is the Imperial authorities. In some cases where Australians have enlisted in South Africa, and have been returned here, I have had them sent on to their own States, and am making claims against the Imperial Government for the expense so incurred. But I suspect that in the case under notice there is no proof that the men had any claim upon the department.

Mr. CROUCH.—In view of the statement of the Minister for Defence, that the Imperial authorities have upon many occasions neglected their duty, and not looked after the Australian soldiers who have fought for the Empire, will the Acting Prime Minister take steps to have this state of affairs remedied, or to protest against the occurrence of similar default in the future?

Mr. DEAKIN.—The Commonwealth has advanced money to meet Imperial obligations in order to avoid delay, but we wish to mark the distinction between our direct responsibility for the Commonwealth contingents, whose members are to be paid out of our own pockets, and the responsibility which is really that of the Imperial authorities, but which we have assumed, and for which we expect to be recouped.

Mr. JOSEPH COOK.—Will the Acting Minister for Defence make strict inquiries into the case which has been referred to, and, if the men are stranded, have them sent on to their destinations, afterwards charging the Imperial authorities with the cost?

Sir WILLIAM LYNE.—That has been done in every case in which the men had any claim to be so treated. But whilst we sent many valiant and good soldiers from Australia, the department have had also to deal with a few men who represent themselves to be what they are not.

Mr. SYDNEY SMITH.—I suppose all the men have their discharges.

Sir WILLIAM LYNE.—No. Some of those who make representations to us

produce no evidence of having served in South Africa at all.

Mr. SYDNEY SMITH.—Well, in this case the Mayor of Goulburn has taken the matter up.

Sir WILLIAM LYNE.—It may be merely a matter of advertising. It is impossible to deal with these cases until the facts are known.

Mr. CROUCH.—I wish to direct the attention of the Minister to the case of Regimental Sergeant-Major Coffey, who was a member of the first Victorian Contingent, and, while on active service, caught a cold which developed into phthisis. The Imperial Government paid him a pension until the 4th August, but from that date until the 18th September, when he died, the man was in absolute want. I wrote to the Minister for Defence in regard to the matter, and was informed that the man should make his claim upon either the Imperial or the State authorities. The man has since died. For some time before his death he was without medical comforts, and his wife and four children were practically without the necessities of life. In these circumstances, I desire to ask the Acting Minister for Defence whether he will inquire into the case, and include it amongst those which he proposes to refer to the Imperial Government.

Sir WILLIAM LYNE.—If the honorable and learned member will remind me of the matter, I will make inquiries from the Secretary for the Department of Defence. I am satisfied that if the honorable member wrote to the Minister some action was taken by the department, and that representations have probably been made to the Imperial Government. If proper representations were made, I think it is very likely that the man was looked after prior to his death.

Mr. CROUCH.—No.

Sir WILLIAM LYNE.—That is my impression, because instructions have been given that if any of these men cannot obtain their money and are in want, every consideration shall be shown to them, especially if they are ill. I cannot think that the soldier referred to could have been neglected if proper representations had been made to the authorities. I will make inquiry, and if there is no reason to doubt its validity, a claim will be made upon the Imperial Government.

REPRESENTATION OF AUSTRALIAN SOLDIERS

KEMBLA DISASTER FUND.

MR. COOK.—I desire to ask the Minister a question with regard to the money now being raised for the relief of the sufferers by the Mount Kembla disaster. The number of branches of the Australian Natives' Association, with which I have connected, have raised subscriptions for the fund. Various other societies, as well as private individuals of the public, have done the same. It is an impression is gaining ground that the money so raised is not under the control, and that it will probably be handed over to the New South Wales Accident Relief Fund, which is controlled by the Government. A number of members of the Australian Natives' Association who have spoken to me about the fund are anxious that the money which has been raised should be paid direct to the sufferers and orphans for whom it was intended. In these circumstances, I am inclined to ask the Acting Prime Minister whether he can give me any assurance that the money will not be paid into the fund, but will be paid direct to those for whom it is intended.

MR. DEAKIN.—The matter is one over which we have no control, although we have the sympathy with the object of the fund. The honorable member considers there is some confusion in the public mind as to the question, I will undertake to make inquiries, and furnish him with the

I deem it my duty to point out that it is unusual to have a Message relating to the same Bill returned three times to the House, but I know of nothing to prevent this Message being received, if it be the will of the House to receive it. It is competent either to proceed with its consideration now or at any other time which the Minister may desire to fix.

S.S. "HERBERT."

MR. KIRWAN asked the Minister representing the Postmaster-General, *upon notice*—

1. Whether the s.s. *Herbert*, carrying mails between Esperance and other ports on the south-east coast of Western Australia, has frequently failed to adhere to contract time.

2. Whether the steamer left Esperance on Saturday, 30th August, and took 83 hours to reach Albany, notwithstanding that the weather was very moderate.

3. What fines have been inflicted on and paid by the owners of the *Herbert* since they have been receiving £400 monthly to carry the mails on the south-east coast.

SIR PHILIP FYSH.—The matter is being inquired into.

PAPER.

MR. KINGSTON laid on the table—

Excise Act 1901.—Drawback Regulations.

SUPPLY (1902-3).

In Committee (Consideration resumed from 25th September, *vide* page, 16128):

PARLIAMENT.

Division 2 (*House of Representatives*)—£8,297.

MR. TUDOR (Yarra).—I notice that, according to these Estimates, the number of messengers employed in the House of Representatives is the same as last year. In Division 8, however, we find provision made for three messengers for the Queen's-hall. It is set forth that these messengers were provided for in last year's Estimates, and I desire to know whether three additional appointments have been made.

MR. DEAKIN (Ballarat—Attorney General). The number has not been increased, but the messengers have been redistributed, and their titles altered. Messengers who were before allotted, I think, to the Senate are now placed under the heading "Queen's-hall," as their duties lie there between the two Houses.

Vote agreed to.

ELECTORAL BILL.

MR. BAKER.—I have received the Message from the Senate:—

MR. BAKER.—The Senate returns to the House of Representatives the Bill for "An Act to amend the Electoral Act, 1901," and acquaints the House of Representatives that the Senate is in dissent upon that part of its amendment No. 104 of the House of Representatives which that House disagrees, and agrees to the following amendments in clause 140A, and upon its disagreement to amend—6, 58, 139, 141, and 196, and agrees to the following amendments of the House of Representatives in amendments Nos. 110 and 111. The Senate insists upon its disagreement to amendments Nos. 21, 22, 23, 24, 114, 180, and 181, and in the annexed schedule, and recommends reconsideration of the Bill in regard to amendments.

R. C. BAKER,
President

Melbourne, 25th September, 1902.

Division 3 (*Parliamentary Reporting Staff*)—£7,304; Division 4 (*The Library*)—£3,246, agreed to.

Division 5 (*Refreshment Rooms*)—£570.

Mr. REID (East Sydney).—On this item, I should like to ask the Treasurer whether he has any information as to the financial position of the refreshment-room.

Sir GEORGE TURNER (Balaclava—Treasurer).—This sum will cover the entire loss.

Vote agreed to.

Division 6 (*Water Power, &c.*)—£300; Division 7 (*Electric Lighting, &c.*)—£1,362; Division 8 (*Queen's Hall*)—£554; Division 9 (*Parliament Gardens*)—£532, agreed to.

Division 10 (*Miscellaneous*)—£1,556.

Mr. JOSEPH COOK (Parramatta).—I see that the lift attendant receives only £65 per annum.

Sir GEORGE TURNER.—Last year he was paid at the rate of £52 per annum, so that an increase has been granted to him.

Mr. JOSEPH COOK.—I think he is still underpaid. He is kept at his post at all hours, and should be fairly paid.

Sir GEORGE TURNER.—It is a matter with which the House Committee has to deal.

Mr. JOSEPH COOK.—I think the salary should be brought under the attention of the committee.

Mr. DEAKIN.—I will call the attention of the House Committee to the fact that this officer certainly does appear to be inadequately remunerated.

Vote agreed to.

DEPARTMENT OF EXTERNAL AFFAIRS.

Division 11 (*Administrative*)—£8,135.

Mr. REID (East Sydney).—I see that there is an increase amounting to £66 in one or more of the salaries. I suppose the number of clerks is the same as before, and of course I do not want to resist any fair claim for an increase.

Mr. DEAKIN.—The amount named will be divided amongst six clerks.

Mr. REID.—I do not think this is a time for increasing salaries, but if the Acting Prime Minister is satisfied that some one has hitherto been underpaid, and this increase is justified, I shall not resist it. May I ask the way in which the money has been allocated?

Mr. DEAKIN.—The clerks amongst whom this amount is to be distributed

receive salaries ranging from £80 to £260 per annum.

Mr. TUDOR.—Who have obtained the increases?

Mr. DEAKIN.—The amount represents, roughly speaking, an increase of £20 to each clerk.

Mr. REID.—Has an all-round increase been made?

Mr. DEAKIN.—No.

Mr. REID.—If these increases are to be of annual recurrence, the matter is a very important one.

Mr. DEAKIN.—The Public Service Act is not yet in operation, but we have endeavoured to deal with these cases as we should have done if the measure had been in force. No increases have been made in the salaries of any of the better paid officers, but £100 per annum is being divided between six clerks in the department whose salaries range from £80 to £260 per annum. They have proved by their efficient service that they are worthy of a little more than they have been receiving.

Mr. WATSON.—Who are receiving the increases? The men obtaining the higher salaries or the men receiving the lower ones.

Mr. DEAKIN.—Under these Estimates each of them will receive an increase ranging from £10 to £20.

Mr. WATSON.—Who is receiving the £10 increase, and how many are receiving the increase of £20?

Mr. DEAKIN.—I cannot tell the honorable member from memory. I investigated every case, and although rejecting certain proposals, was satisfied that the sum which appears on the Estimates was not more than was demanded in justice to the employés.

Mr. O'MALLEY (Tasmania).—Evidently the Acting Prime Minister went carefully into this question and satisfied himself as to the wisdom of making the increases. But from his long association with things as they go in Melbourne he may have unconsciously allowed the officer at the top to obtain a rise and the little fellow at the bottom to obtain a very small increase. If the Acting Prime Minister will give the committee an undertaking that he will look into the matter and see that the lower paid officers get something, I shall be satisfied.

Mr. DEAKIN.—I know that they are getting something under this proposal.

CROUCH (Corio).—I wish to draw attention to the labour problem in the Rand. Representative institutions of the Transvaal have been silenced with the assistance of British soldiers, and for that reason there is unable to give expression to its views. There seems to be an intention on the part of the Imperial authorities—

CHAIRMAN.—The honorable member cannot discuss that matter on this division.

CROUCH.—The division includes the salary of the secretary of the department, and, if necessary, I shall have to move that the officer's salary be reduced by £1. The officer who might have to deal with this matter.

JOSEPH COOK.—I submit that the honorable and learned member for Corio is in order in discussing, under this division, any question which comes within the scope of the functions of the Minister for External Affairs. But, in any case, the honorable and learned member can put his motion in order beyond doubt by moving a reduction in the salary of the secretary.

CHAIRMAN.—The honorable and learned member will be in order in discussing which comes within this division, but not in discussing anything outside it.

CROUCH.—I understand that the honorable member is the mouthpiece of the Minister for External Affairs. That means that all matters external to Australia, the administration is through the secretary, and I submit that I have a perfect right to discuss the subject which I have indicated, namely, the employment of Chinese labour on the Rand in South Africa.

CHAIRMAN.—The honorable and learned member cannot possibly discuss that matter on this division of the Estimates.

MR. REID.—I hope the Chairman will not make his ruling too precipitately. At present I do not see that I can have any sympathy with the object the honorable and learned member has in view, as a principle is involved in the point of order.

CHAIRMAN.—The honorable and learned member for Corio will not be defeated by his opportunity.

MR. REID.—That may be so, but still the question of the proper place at which the motion could be exercised is of great importance. I think the Chairman will admit

that all matters which fall within the province of this Department of External Affairs are relevant to the Estimates of the department. Parliament might be so dissatisfied with the administration of the Minister for External Affairs as to mark its disapproval by refusing to vote a single sixpence on the Estimates for this division. Such an action would be of very serious consequence. As I said before, it is only the importance of the principle with which I am concerned.

Mr. CROUCH.—If necessary I can place myself in order by moving a reduction of the salary of the secretary.

Mr. REID.—That is not necessary, I think.

Mr. CROUCH.—In my opinion the secretary, under the direction of the Minister, should have written protesting against the employment of Chinese on the Rand. The fact is that the mine-owners of Johannesburg are able to get a sufficiency of native labour. By the action of Australian troops, fighting along with the Imperial troops, these mine-owners have been put in a position of dominance, and are able to insist upon employing native and Chinese labour at a certain rate.

The CHAIRMAN.—Will the honorable and learned member resume his seat. If it is the pleasure of the committee that the standing orders be departed from to allow a general debate on this item, I, of course, can have no objection. Otherwise I must confine the honorable and learned member to the item before the committee.

Mr. WATSON.—When the last Estimates were under consideration it was admitted that as a matter of practice honorable members were entitled, on the first item, to initiate a general debate on the administration of the department. Yesterday the Treasurer himself suggested that that would be the easier course to pursue.

Sir GEORGE TURNER.—That is so.

Mr. WATSON.—Unless that right is admitted I do not see how honorable members can possibly express an opinion on the general administration; and I trust that no hard-and-fast line will now be drawn which will affect innumerable cases later on.

Mr. DEAKIN.—I hope the practice common in most of our States Parliaments will be pursued here. It would be unfortunate if members were obliged, in considering the transactions of a department, to confine themselves to moving reductions in particular items. It has always been considered in

the States Parliaments that the first item in each division offers an opportunity of challenging anything and everything relating to the administration of that department. The widest latitude has been given, and the result has been satisfactory to honorable members, and advantageous in facilitating business. I hope that under the circumstances the Chairman, if he thinks it necessary, will grant the privilege which has been indicated.

Mr. JOSEPH COOK.—The practice which has been described by the Acting Prime Minister is that followed in the House of Commons, and it affords the one way in which honorable members can discuss foreign affairs. In England the Ministers' salaries are voted on the Estimates, and, in order to ventilate foreign affairs, it is the invariable practice to move a reduction of those salaries. In the Commonwealth, however, Ministers' salaries are provided by the Constitution, and do not appear on the Estimates; and, therefore, the only opportunity which honorable members can have of discussing the whole range of the administration of the Department of External Affairs is by formally moving a reduction of the secretary's salary unless the latitude now suggested is allowed.

Mr. CROUCH.—It is quite unnecessary for me to move a reduction of the secretary's salary. I am not asking for any privilege; if I am not within my rights under the standing orders, I do not desire to continue. I ask not for the favour to speak, but for the right, and, if necessary, will contest the position. I may point out that the Immigration Restriction Act comes within the province of this department, and in order to show why we should exclude aliens from Australia, I might find it necessary to refer to the parallel case of South Africa. I should like to know whether I have permission to proceed.

Mr. FOWLER.—Before the Chairman gives his ruling, I should like to point out that the honorable and learned member for Corio has overlooked an important distinction. The honorable and learned member wishes to discuss the action of certain mine-owners and capitalists in Johannesburg. If it were a matter of Imperial policy—if the intention were to discuss the action of the dominant power in any part of South Africa—there might be some reason for the course which the honorable and learned member desires to adopt. But is it not reducing

latitude of discussion to an absurdity when it is proposed to consider the attitude of certain private individuals in South Africa?

Mr. CROUCH.—That is not my object: my object is to discuss the inaction of the department in dealing with a certain matter.

Mr. FOWLER.—The honorable and learned member is suggesting that the Department of External Affairs should deal with a matter which does not in any way affect the policy of the Government in South Africa. It would be as justifiable to ask the Department of External Affairs to deal with the attitude of certain private individuals in, say, Quebec.

Mr. WATSON.—That is not the point at issue with the Chairman just now.

Mr. FOWLER.—I contend that it is the point at issue.

Mr. WATSON.—The Chairman says that no general discussion can be allowed.

Mr. FOWLER.—The honorable and learned member for Corio wishes to discuss the attitude or the action of certain private individuals in South Africa; and, in my opinion, that is altogether an absurd position.

The CHAIRMAN.—Two points of order have been raised, one as to whether it is competent for the honorable and learned member for Corio, on the item of the secretary's salary, to discuss anything coming within this division or the administration of this particular department. The other point raised is whether it is competent for the honorable and learned member to discuss matters not connected with the administration of this department. The honorable and learned member was proceeding to discuss matters in connexion with South African affairs, which, in my opinion, have nothing to do with the administration of a department of the Commonwealth. I therefore rule that the honorable and learned member cannot, under this heading, discuss the question he has indicated, although it is competent for him to discuss anything in connexion with the department.

Mr. WATSON.—Do I understand the Chairman to rule that it is not competent for honorable members to take exception to the inaction of the Minister in regard to external matters—that is, matters outside of Australia—in connexion with which he might have been asked to protest?

Mr. CROUCH.—That is my position.

Mr. WATSON.—Does the Chairman hold that it is not a matter of fair comment

have shared in the conduct of
ments, but his work has not been
to society functions.

AGE.—What would happen if he
die?

PEAKIN.—Another man would have
ined for the position.

IAHON.—Allowing that he has
quaintance with the conduct of
ffairs, the duties which he has
discharged are not parallel with
ich the occupant of this office will
upon to perform, and, in any case,
o have entered the public service
and who have grown up in it, have
e right by their industry and good
to appointment to offices like
fore filling this position the Govern-
ould ascertain whether there is
ady in the public service a man
apable of discharging the duties
y to it. I am sorry if my protest
anything like a personal aspect;
e Government will not undertake
and to fairly consider applications
public service for the position, I
e committee will strike out the

REID (East Sydney).—The main
have to consider is whether it is
create an office of this description.
ink that it is, the appointment of
icular person to the office is a matter
s, but for the Executive, who will
isible for their action to this House.
t not confuse the two positions. Do
s, because of a possible mistake in
ntment, decide that the office is un-
r. If we make this provision it
e duty of the Government to con-
claims of every man in the public
a connexion with those of Captain
on. While I do not assert that it
I rather deprecate the introduc-
a personal element into the discus-
public question.

AGE.—The Acting Prime Minister
aid that the appointment was being
Captain Wallington.

PEAKIN.—No, I said that I would
recommend my colleagues to
Captain Wallington, and that
ed they would do so; but that
e said to be "making" a position

REID.—I do not think my honorable
friend would confuse us by intro-
uch considerations. If it was the

intention of the Minister that Captain
Wallington should be appointed he was
right in stating it to the committee, and
now that we have the information we
have to consider whether the office is
necessary. If I may give the committee
the benefit of my experience as a Premier
of one of the States for five years, I must
say that an office of the kind is absolutely
necessary as a means of conveying confi-
dential communications between the Minis-
ters and the representatives of the Crown.
A man possessing high qualifications,
whether he be the gentleman named or
an officer taken from the public service,
is absolutely necessary in working out a
system of government which, to a much
larger extent than some honorable mem-
bers appear to think, involves confidential
communications between the Government
and the representatives of the Imperial
authorities. It is so with the States,
and I think it must be still more so in the
case of the Commonwealth Government.
I have come to the conclusion that the office is
necessary. Of course, there are a number
of persons who would accept the position
for one-third of the salary proposed to be
attached to it. But we do not govern in
that way. If we did we could readily ob-
tain seven persons to do the work of the
Federal Ministry for £500 a year; but we
feel that, granted the necessity for an office,
it is our duty to attach a proper salary to
that office in order that the best man for the
position may be obtained. Since the name
of Captain Wallington has been mentioned,
I wish to say that if there is a man in the
public service of Australia who is better
qualified to fill this position, he ought to be
appointed.

Mr. JOSEPH COOK.—Or as well qualified.

Mr. REID.—I am not quite sure of
that. Although Captain Wallington has
not been, in point of official form, in the
public service, I think I am only doing
him justice in saying that he has really
been just as much a servant of the State as
if he had been appointed under the Public
Service Act. I have known him personally
for twenty years, and I therefore wish the
committee to discount anything I say in
regard to him, for I may be influenced by
friendly prejudice. I cannot claim any per-
sonal intimacy with him; but from force of
circumstances, I was brought daily into con-
tact with this gentleman, and I believe him
to be singularly well qualified for the

RECEIVED BY THE SECRETARY OF THE HOUSE OF COMMONS

to put aside State and parochial ideas. My contention is that in connexion with the employment of Chinese in South Africa, the department of External Affairs, in not offering a protest, has been guilty of a serious neglect of duty. I wish to point out that in the first place we have a certain responsibility for the present condition of things in South Africa, in consequence of our having sent troops to that country to quell the rebellion or war—as honorable members may choose to call it. We are from that cause, to some extent responsible for the state of things that exists there now. That state of things is this: That the mine-owners in South Africa—largely in Johannesburg—are unable to obtain a sufficient supply of native labour, and are doing their best, by putting pressure upon the Imperial Government, and in other directions, to import Chinese cheap labour on to the Rand. That cheap labour will largely compete with the large number of Australians who have gone over to Johannesburg in search of employment. Further than that, I have here a telegram clipped from the *London Times*, of 11th July, 1902, from which it appears that the Transvaal Government have actually arrested chiefs who have tried to induce their natives to escape from the Rand. The cablegram reads as follows:—

Johannesburg, 2nd July.

Some native chiefs have been arrested for inciting natives to quit the Rand. An unsuccessful attempt was made at a rescue.

Then appears a telegram showing the real opinion of the Johannesburg people on the subject. It is dated 5th July, and says—

The importation of Asiatics is politically most undesirable, and South African opinion will only tolerate it as a last resource when all other expedients have failed.

Yet, in spite of this, I find in the *Age* of 21st August of this year a cablegram from England, in which it is stated—

Reuter's Johannesburg correspondent estimates that there are only 620,000 kaffir "boys" available for working purposes in South Africa. This number is quite insufficient to meet the labour demands, and the importation of Chinese coolies engaged for a term of years, and under contract to return to their native land on its expiration, is being seriously considered.

If there is one thing more than another which results from a war, especially when that war is successful, it is responsibility for the after administration of the conquered territory. We ourselves, under circumstances which made our action necessary and just, have dipped our hands

Mr. Groucher.

in blood in South Africa. We, as a nation, have ceased from following our ordinary peaceful course of non-interference with the affairs of the rest of the world, and have taken to arms to assist in suppressing two republics. Whether they were free and liberty-loving republics does not matter. Very largely through the exertions of Australian arms, as appears from reports of British generals since the war, the Imperial Government was able to succeed in the war, and the local representative institutions, which expressed to some extent the views of the South African peoples, have been extinguished. We cannot now escape from the responsibility of our own action. It is one of the consequences of taking part in a quarrel that in the peace that follows the state of affairs brought about should not be altogether contrary to the wishes of the conqueror; and I venture to say that it is not the desire of this House that our money and blood should have been spent upon those South African fields, merely to enable the mine-owners of the Rand to be more prosperous and opulent through the importation of Chinese coolies, to compete with the white labour which is now resident there. I venture to remind the committee that the promise was made time after time by Mr. Chamberlain that in the terms of settlement the Australian States and other parts of the Empire which had participated in the war should be consulted. I can point to speech after speech made on platforms in England, where Mr. Chamberlain said that that promise would be carried out. Of course it has not been carried out. But our Government might properly ask that its voice should be heard in this matter, and, as far as Asiatics are concerned, we should support the non-representative voice, the Crown-colony voice, the crushed-by-Colonial-office voice of the Transvaal miners, and see that, as far as our representations can receive attention in the councils of the Empire, imported Chinese and other Asiatics shall not be allowed to compete with the white labour in South Africa. I think that this committee will be in sympathy with any action that the Ministry chooses to take in that direction. I sincerely trust that some action will be taken, and that, as a consequence of it, we shall let it be known that, so far as Australia is concerned, we desire white labour to be employed in these

ered territories, and that that is one of the requests we make in virtue of the part which we took in the war.

MR. DEAKIN.—I do not know whether the honorable and learned member for Corio has seriously considered the whole of the consequences which would follow from the application of the principle he has laid down with regard to this particular case.

MR. CROUCH.—It is too late to consider that, we have taken the responsibility.

MR. DEAKIN.—I am far from denying responsibility for the part which Australia has played in connexion with the war in South Africa. I do not think Australia desires to escape from any responsibility, or regrets the action which she took. But it is quite another question how far that action commits us to imperialism, which may be considered an interference with the internal affairs of territories which, as I understand, are to be decided at once upon a basis that will admit of the representation of the wishes of the inhabitants. Though they are not endowed with representative institutions to the fullest extent, yet they are to be from the very start endowed with advisory councils on which both the English and the Boer populations will be represented.

MR. CROUCH.—A Government of the Transvaal colony type.

MR. DEAKIN.—A Government of the Transvaal colony type, no doubt; but under circumstances which admit of the exercise of very considerable powers by an advisory council of the character mentioned. In such cases as the people of those territories are to be in the enjoyment of self-government to that extent, at all events, we should be very careful in expressing our views upon any question of great importance to their internal administration. We are portions of the British Empire in which the views which are practically maintained in Australia with regard to the employment of the coloured races are not maintained; and we should not welcome a representation from any part of the Empire that chose to encourage the employment of cheap labour in Australia, than the inhabitants of the new Transvaal would encourage any interference with it on our part of an opposite nature.

MR. CROUCH.—Are the cases parallel?

MR. DEAKIN.—The cases are not parallel, but the principle of interference is the

same in each. I will not enter into a discussion as to how far the institutions in the nature of representative government which it is proposed to institute in the Transvaal, compare with the so-called representation of Australian, European, and American inhabitants granted to them by the former Transvaal Government. These are matters which it would be profitless to discuss at this hour. I am not drawing such a comparison, because, so far as the honorable and learned member is concerned, I am in close sympathy with his view of this case. But while we are entitled to express our personal opinions outside, that does not justify us in making official representations, which, if they were to have any weight at all, must be backed by some effective action on the part of the Commonwealth Government. Supposing we did make a representation of the character desired to the people of South Africa—because as I have said, the measure of representative government already accorded gives the people a voice—it may be an incomplete voice in our apprehension, but still it is a voice—in the management of their own affairs. The probability is that the immense majority of the very citizens of those former republics, with whom we have recently been in conflict, would not sympathize with us in regard to this matter. On the contrary, we might find that, as they always freely employed the coloured labour of their own country, they would be quite willing to employ any coloured labour on the same terms. We could not count confidently upon the sympathy of those people who, although they are for the time being deprived of their full franchise, will have a measure of representation in the advisory councils. The consequence is that although Australians generally would be in sympathy with the opinions which the honorable and learned member has expressed, we should be making representations to a people who would not receive them with sympathy, and might regard them as quite as much an interference with their present policy as during the war they regarded our going to South Africa at all as an interference in a quarrel which they were pleased to think they could limit to one portion of the Empire. Under these circumstances, therefore—although it is perfectly open for any persons, or any private bodies or associations, to express their opinions with regard to the employment of

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coloured labour on the Rand—this is not a subject with which the Government of the Commonwealth ought to be asked to take action. By so doing we should possibly expose ourselves to a mortifying rebuff. We would not be considered by the citizens of South Africa as lending them any assistance—in fact, the probability is that our action would simply be interpreted as a desire to interfere in their affairs, arising partly from our antagonism to coloured labour, and partly from our interest as a rival gold-producing country, to deprive them of the labour which has been usually employed by them. For my own part, I regret the action taken upon the Rand, although I do not consider, from what can be gathered—and I have no special information on the subject—that the employment of either alien or Chinese labour is likely, under present circumstances, to enter into competition with white labour. The information I have is that the whites on the Rand are employed at 5s. a day. It is also generally understood—indeed, I believe it is incontestable—that the cost of living in Johannesburg is at least twice the cost in Australia. The consequence is that 5s. per day in Johannesburg represents not more than 2s. 6d. per day in Australia. Under the circumstances that is clearly not a class of employment or a rate of remuneration to which we can desire to see Australians aspire. We cannot imagine Australian labour desiring to enter into competition for such employment.

Mr. JOSEPH COOK.—It is the number of people there that has brought down wages on the Rand.

Mr. DEAKIN.—That is true to a large extent; but the rates are also due very largely to the number of the indigenous inhabitants of the country. Though I myself regret to learn that there is any proposal to import more coloured labour to the Rand, yet it remains true that even if such labour were entirely excluded, the people there would still be face to face with a far more serious problem than the Commonwealth of Australia or any part of it has to face owing to its large native population.

Mr. CROUCH.—One of the companies there pays 350 per cent.

Mr. DEAKIN.—That may be so, but if one can place reliance on recent cablegrams which have been published in the newspapers as to the transference of £100,000,000

of war debt, the vast amount of interest on that sum will have to be paid by taxation levied almost wholly upon the mine owners of the Transvaal. The honorable and learned member will see that the mine-owners are not therefore escaping scathless. Whether or not they had the large share of responsibility which was attached to them in some quarters for the inception of the late war, it is quite clear that for whatever purpose it was waged, they are having allotted to them something like a fair measure of responsibility for the enormous outlay incurred. For these reasons I fail to see that this Government ought to have taken action in the matter, unless our counsel was in some way specially invited. There was a matter upon which, without being directly consulted, Australia had an opportunity of speaking, and that was in regard to the suspension of constitutional government in Cape Colony. On that question Australia had a proper opportunity of being heard, and the Prime Minister expressed the feelings of the great bulk of the people of the Commonwealth. That was a matter upon which it was proper for the Government to speak, because an opportunity of speaking was presented to them, but in this case an opportunity for speaking has not arisen. So far as I know, this Chinese scheme is merely the project of a few men, of whom we have examples in Australia, who subordinate every other consideration to that of earning profit upon their investments.

Mr. FOWLER.—And who can only be effectively opposed by a popular franchise.

Mr. DEAKIN.—There are men who pay the smallest possible heed to the consideration of the future of the country they may be imperilling by the introduction of large numbers of races, who within our experience cannot be said to be capable of taking any part in representative government; men who consider any country as no more than a field for investment, and with whom the profit they reap is the only measure of good government. That they should make such a proposition should surprise no one. We may hope that the Imperial Government, with their knowledge of the consequences of such a step, will not give their consent. If our opinion were invited, there can be no doubt as to what our verdict would be. But I repeat that no proper opportunity has yet presented itself to us of speaking on this question. If such an

is presented, I have no doubt it taken advantage of. But to act as a humble and learned member for Corio in regard to what, so far as it is at present merely a project, may never be indorsed even in a country in which it is made, may not be approved by the Government, and which may, therefore, be merely a project, would not be wise. We were to express an opinion in circumstances, where should we draw from the representations we ought to make to other Crown colonies upon projects proposed by them, which in our opinion are as hazardous as that to which the honorable and learned member has referred. The Government may be acquitted in not having taken any action in regard to what at this stage is a project. To have made general representations might have been in accordance with the measure of autonomy existing in those States, and have established a precedent which would be found very dangerous to other self-governing communities in the Empire.

MR. WATSON (Bland).—I quite agree so far as South Africa and many parts of the Empire are concerned, instances surrounding the labour question, especially in connexion with the employment of coloured people, are so different from those obtaining in Australia that the question must be looked at from a point of view different from that in Australia. While conceding that, and that if representative institutions exist in that portion of South Africa which is immediately under discussion, might leave it to the people there to determine the steps they should take, it seems to me that the most serious aspect of the question from a humanitarian standpoint has been left out of consideration in the speech of the honorable and learned member for Corio, and in the speech of the Acting Prime Minister. I have suggested importation of Chinese as a comparatively unimportant matter compared not with the suggestion, but as the cables inform us, with an objection on the part of the High Commissioner that all the natives of the colony should be compelled to labour for the Government by the imposition of an annual tax. I quite admit that with respect

to the aborigines of Australia and New Zealand, and in every other part of the Empire, we have no right to interfere with their desire or opportunity to earn a livelihood for themselves. They should be given the fullest and freest opportunity to compete upon equal terms, if not upon liberal terms, with those of us who have come into competition with them. But it is altogether another question, when in order to compel a pastoral people—and, generally speaking, that, I understand, is the characteristic of the natives of that portion of South Africa—who would be satisfied with the kind of living to which they were accustomed, and have no desire to work under the trying conditions in mining, to enter the mines.

MR. FOWLER.—The trouble was to keep them back from the mines.

MR. WATSON.—It surprises me that the honorable member should say that in view of the fact that before the Boer war occurred at all, a commission appointed by the Transvaal Government at the request of the Johannesburg mine-owners suggested that this poll tax should be imposed for the special purpose of compelling the natives to go into the mines. The proceedings of that commission were reported in the newspapers of a little over two years ago, and Earl Grey, the chairman of one of the big companies there, said that unless they could secure the imposition of a tax of that kind upon the natives, there would be no possibility of inducing them to work under conditions which would allow the mines to be cheaply carried on. We have been informed that this tax has now been imposed, and I say it is to the eternal disgrace of the British administration in South Africa, that they should seek to compel the natives against their will to enter the mines to work under the mine-owners' conditions.

MR. CROUCH.—It is disguised slavery.

MR. WATSON.—There can be no doubt that it is a form of slavery. It is something equivalent to what I am informed occurs in Western Australia at the present time, where the natives are, it is said, indentured, but are really compelled to work for pastoralists, and are subjected by their masters to all kinds of corporal punishment if they break the letter of an agreement which their poor muddled or ignorant brains did not enable them to understand when they signed it.

Mr. FOWLER.—That was the Boer policy in South Africa.

Mr. WATSON.—I do not care whose policy it was. If it was the Boer policy, more shame to the British Government to countenance the continuance of it. But one must not be led by one's indignation to enter upon matters that are outside the purview of Australian affairs. I have very strong opinions upon these subjects, but I have tried consistently to adopt the policy that we have no right to undertake responsibilities and duties outside of the affairs immediately concerning our own people. I believe that we have already gone too far in that direction by assuming responsibility in respect of the administration of New Guinea. I understand also that the Government have taken some measure of responsibility in connexion with the New Hebrides outside the mere subsidy paid for extending the trading relations of the Commonwealth. In these assumptions of responsibility I think we are perhaps going further than we at the present time can have any proper conception of. For that reason alone I have not a word of reproach to hurl at Ministers for not making the representations suggested. I should like to see bodies representative of public opinion in Australia take action of this kind by expressing publicly their opinion of the illiberal, not to say unjust, proposition involved in the imposition of a poll tax on the natives of South Africa.

Mr. THOMSON.—They ought first to know of it for a fact.

Mr. WATSON.—Of course, and I believe I have qualified what I have said by assuming that the cable reports upon the subject are correct. I cannot certainly say that they are, but I think it will be admitted that in regard to large public matters the cable reports are found to be reasonably correct. On the whole subject I think that this Parliament should confine itself to Australian affairs, and for that reason I do not wish to say more than that I think the Government are wise in refraining from taking any action which would involve us in responsibility, or set up the idea that we are seeking to interfere with the affairs of the world at large.

Mr. FOWLER (Western Australia).—In view of the overwhelming rebuke which I understand the honorable and learned member for Corio directed at me, I hasten

to assure him that I am thoroughly in sympathy with the object he wishes to attain. I do not for a moment believe that any policy which would have the effect of increasing the amount of native labour in the mines of South Africa, or of adding to that labour by the importation of coloured aliens from other parts of the world, is one that would have the support of the people of Australia. I am sure that it will not have the support of the Empire as a whole. I believe that the Imperial authorities during the short time within which they will have the affairs of South Africa under their control will not allow that policy to be developed to any serious extent. In view of the remarks with regard to the cruel treatment of kaffirs, I am somewhat surprised to learn that the objection to this treatment is directed solely against the Imperial authorities. There is no so-called civilized race on the face of this earth that has been more remorseless in its cruelty towards the native races than were the people of the Boer republics. I feel sure that whatever may be the conditions imposed upon the natives of South Africa by the Imperial authorities, their case will be greatly better than it was under their old masters.

Mr. WATSON.—The honorable member cannot justify a poll tax, surely?

Mr. FOWLER.—As regards this poll tax, of which we have heard very vague reports, I should say that, for my own part, I totally disapprove of any attempt in the way of a poll tax to drive the natives into the mines. At the same time, I recognise that the natives, in common with the whites, ought to pay some portion of taxation for the benefit of the country in which they live. It yet remains to be seen whether the taxation is of the nature which we have been given to understand it is, and whether its effect will be in the direction indicated. As regards this whole question, I must again express my surprise at the confusion of ideas which has led a number of people all over the world with whose views I am closely in sympathy to lose sight of the important fundamental feature in the whole of this difficulty. We have now in South Africa for the first time a condition of things which will give to the people the control of their own affairs, and I say it is for them to work out their own social, political, and economical salvation in the same way that we have worked out ours in Australia.

son.—When they get representative institutions.

WLER.—I shall give my honor an instance of what has already. We are told of the dominance of capitalists and mine-owners in Johannesburg months ago, for the first time of Johannesburg, the municipality — now established on a proper basis — has been able to impose a tax on rates throughout the municipality. This is a distinct proof that at last South Africa is beginning to enjoy representative institutions, and I have no doubt but that it will justify those who hold that it arose through the denial of representative institutions and a free franchise to the majority of the people by a few who in the past were placed in power for their own benefit.

JOSEPH COOK (Parramatta).—The honorable and learned member for New South Wales might have made a great deal of this opportunity. He seemed to be anxious to demonstrate that we were valouring our hands in blood rather than in the black labour trouble. The Government has sent away troops and helped to pay a number of persons in South Africa to be his trouble. He has done a great disservice to a very laudable cause. When he asks us to interfere in the internal arrangements of another Empire, he asks us to take a course which would react on Australia in a most undesirable way. Is it for us, who are the vanguard of the world with regard to legislation, to invite interference in our legislation? Does the honorable member suppose that if we interfere with the self-government of other Empires, we can resist their direct attention to our affairs? We ought to be the last to go into the confines of this continent with any question of that sort. We are studious in our avoidance of the subject of any other part seeing that we are in secure possession of a splendid self-government. If we interfere in South Africa in connexion with black labour, we have the same right to interfere in Australia in connexion with white labour. Unconsciously, the honorable member is striking a serious blow at the principle of self-government, which has been the means to achieve such grand results. At

the same time, it does seem incongruous that we who are bundling the kanaka out of our confines, and resisting the intrusion of all the inferior races, should have been fighting in a country where there is such a tremendous supply of cheap, coloured labour. But that is our unfortunate position. We have no voice in their internal arrangements. This Government, representing the self-governing institutions of Australia, is asked to take an action which would inevitably strike a blow at our liberties. I can conceive of no policy more open to grave criticism and to be resisted. I am glad to hear that the Government will not interfere in that way. The honorable and learned member's remedy is rather out of doors. It is within his right to ask his fellow citizens in public meetings to pass a resolution telling his confrères in South Africa how deeply he sympathizes with them in regard to the adverse conditions under which they suffer. I have no doubt, notwithstanding what has been said, that the labour conditions are very acute in that country. There are thousands of our own people who cannot get employment there, and it is all because of the tremendous competition with cheap black labour. I know some men who are coming back, and they all declare that a white man has the greatest difficulty to get employment in mining pursuits and similar occupations. If South Africa is to be completely in the Empire, in the sense in which Australia is, and is to maintain her free institutions, something will have to be done to curb the employment of black labour. The honorable and learned member says that we have no fear of competition from black labour, because white men will not descend to the local conditions. The same argument might very well be made to apply to Queensland. If the sugar planters will only pay enough for white labour they can get all their work done. When it comes to making a choice between the black man and the white man, I shall consider the white man first every time. If South Africa is to be governed in the interest of the natives and to the exclusion of white labour, then a very serious problem will be presented to the Empire at large. I believe that South Africa is in a very disorganized condition. That is the inevitable result of the upheaval which took place. In time, no doubt, order will be evolved, but in the meantime the position is

acute. There can be no harm in expressing our sympathy with the unfortunate victims over there, and in doing everything which is possible by constitutional methods, outside interference, to help them to remedy their difficulties. It would be a serious blow at our free institutions if we began to assert a right to interfere in the internal conditions of any country within the Empire. The honorable and learned member is taking a course which is calculated to alienate sympathy from a very deserving object. He talks about the denial of free institutions in South Africa. How did that unfortunate result come about? It was incidental to the attempt to defend our country from those who wished to take away our free institutions. There was no choice left to us, and the honorable and learned member knows that the suspension of free institutions in that troubled country is only temporary. We have been repeatedly assured, upon the honour of the statesmen of the Empire, that the moment the South Africans prove their fitness to have restored to them free institutions it will be freely and generously done. What the honorable and learned member is pointing out is the consequence of belligerency everywhere. It is generally troublesome in its consequences to free institutions. I hope that he will be satisfied with the indications of sympathy which have flown out to him from all parts of the Chamber. We all agree with him that everything possible should be done to remedy the difficulties in South Africa. But when he talks about having wallowed our hands in blood he gives his own case away, and shows that he is more in sympathy with any movement which aims a blow at the honour and traditions of our troops and our relations to the Empire than with any proposal to remedy the labour troubles in South Africa.

Mr. O'MALLEY (Tasmania).—I think that the honorable member for Parramatta was labouring under a misapprehension when he charged the honorable and learned member for Corio with desiring to destroy British institutions.

Mr. CROUCH.—It is quite a misquotation.

Mr. O'MALLEY.—The honorable and learned member was ready to shed his blood at Albert Park, if necessary. I have the greatest sympathy with him. I agree with him, although I foolishly contributed to it, that it was a huge mistake for us to interfere in South Africa.

Mr. CROUCH.—I said nothing of the sort. I would not like to be misunderstood in that respect.

Mr. JOSEPH COOK.—The honorable and learned member said we wallowed our hands in blood over there.

Mr. O'MALLEY.—These natives belong to South Africa. Years ago when I went to school in America, I was taught that they did not belong to the Caucasian race. I hold that they have as much right to South Africa as we have to Australia. We are the invaders of their country. We went there for "boodle," pelf, exploitation, and plunder.

Mr. FOWLER.—Just as we came to Australia.

Mr. O'MALLEY.—Exactly; but the natives here are a different class of people. The black man was destitute of mental proportions, consequently he was incapable of running this country, and it laid idle. In South Africa, however, the natives have proved themselves more or less capable of work. I do not believe in slavery. Great Britain was the first nation to spend millions to free the niggers. She freed the niggers in her West Indian Islands at a cost of £33,000,000. It is very well to talk about sympathetic resolutions. One ham sandwich makes an infinitely better impression upon a hungry man than do 40,000 resolutions of sympathy. I hope that we shall interfere no more in South Africa or in any other country, but will try to develop our own resources.

Vote agreed to.

Division 12 (*Federal Executive Council*). £2,695.

Mr. McCAY (Corinella).—I should like to hear something with regard to the proposed appointment of a Secretary to the Executive Council. Unless we are to have a peripatetic administration such as was recently threatened I can see no necessity for the appointment of such an official. The practice in Victoria has been to make an allowance to an officer already in the State service for acting as Clerk to the Executive Council, and I have not heard that this gentleman has taken to his bed through nervous exhaustion resulting from over-work.

Mr. MAHON.—No; but he might be prostrated by having to attend so many social functions.

McCAY.—We do not require an officer to give his attention to matters of detail. I should be glad to hear what the Prime Minister has to say upon this subject.

DEAKIN.—The provision for the appointment of a Secretary for the Executive Council was withdrawn from the proposal submitted with regard to the appointment of the Governor-General, because it was urged that it was a matter that should specifically relate to His Excellency in the same manner as did the charges attached. Although at first I thought that this was a very important feature of the proposed new arrangement, I withdrew it in deference to the wishes of honorable members, in order that they might consider the merits of the proposed annexion with the Estimates. The title of the office is that of "Secretary to the Executive Council" instead of "Clerk to the Executive Council."

McCAY.—Are the Government going to increase the official £450 per annum to compensate for the alteration of the title?

DEAKIN.—No. The Clerk of the Executive Council has hitherto received a salary of £450 per annum, in addition to his income from other sources, apart from the Commonwealth, for attending the meetings of the Executive Council, and for dealing with matters relating to its proceedings. Even his duties the remuneration is entirely adequate, having regard to the extreme importance of the business dealt with, and the confidential position which the Clerk occupies towards Ministers, on the one hand, and as the representative of the Crown on the other.

JOSEPH COOK.—Is it not a fact that the Government proposes that £600 shall be paid to an officer who will be practically a Secretary to His Excellency the Governor-General?

DEAKIN.—No; I will explain the position. There is for that statement some ground, but the whole error has arisen from the introduction of the word "Secretary." The officer whose appointment is contemplated will be a public officer, and his duties will be of a public character. The readjustment of the relations, and the expenditure is concerned between the Governor-General and the Commonwealth has attracted attention to this matter, and led to the necessity of making a change. I was personally only too

happy to seize the opportunity of carrying out what I had long believed to be a proper alteration. In New South Wales and Victoria, if not in other States, it has been customary to pay the officer who is merely Clerk to the Executive Council a larger sum than is here provided for.

Mr. JOSEPH COOK.—But he has not an additional clerk at £325 per annum.

Mr. DEAKIN.—Yes. I am informed that in New South Wales and in Victoria the Clerk of the Executive Council has clerical assistance afforded to him.

Mr. JOSEPH COOK.—Then it is departmental assistance.

Mr. DEAKIN.—It is provided for on the departmental estimates. It has been the practice to provide at the expense of the department a clerk to assist in performing the work connected with the Executive Council. The officer whose appointment is here provided for is to be the Secretary to the Executive Council. That is to say, he is to be the Governor-General's secretary in all matters relating to the public business discharged by His Excellency on behalf of the Commonwealth and having charge of all communications which pass between the Commonwealth and the Imperial Government or the State Governments, or through the Imperial Government with other powers. His time will be as fully occupied when in the discharge of his public duties as that of most other officers in the public service. The duties are now discharged by Captain Wallington, who receives an allowance for acting as Clerk to the Executive Council. For years we had a special officer in Victoria at a salary of £700 or £800 a year, and clerical assistance was provided for him from the Chief Secretary's office.

Mr. McCAY.—That was some time ago. Has not Mr. Brisbane been discharging the work for some time past for £150 a year?

Mr. DEAKIN.—At the time I speak of Mr. Brisbane performed the greater part of the duties of the Clerk to the Executive Council, but, in addition to that, the Clerk to the Council was receiving the salary I have mentioned, not because of the bulk of the work he was called upon to do, but because of its importance. I hope honorable members will grasp that what we propose involves a real change. We intend to take this officer under our complete control, so that all public and official communications of the Governor-General with the Imperial

their administration of so small a department as this, but now that we are out for economy a saving of £325 a year in a small department is not to be despised, especially when it can be effected by the promotion of a worthy and capable man. The Acting Prime Minister says that this officer is capable only for the discharge of the duties he is at present called upon to perform, but I say that he may prove himself equally capable in the performance of the higher duties of Secretary to the Executive Council. Probably the man himself does not know what an excellent officer he would make as Secretary to the Executive Council at £600 a year, as I am sure that the spur of the additional emolument would induce him to put forward his best efforts to give satisfaction.

Mr. A. McLEAN (Gippsland).—I am not prepared to go quite so far as the honorable member for Coolgardie, but I think the item might be reduced by say £200 in order to carry out the suggestion made by the Acting Prime Minister.

Mr. DEAKIN.—I have before promised to make that reduction, by the transfer of this officer within the next month or two, as soon as the Acts to which I have referred come into force.

Mr. A. McLEAN.—Might it not be as well to do it now when dealing with the Estimates?

Mr. DEAKIN.—We must pay this officer the £325, as he is a permanent officer transferred from a State.

Mr. A. McLEAN.—If the Acting Prime Minister has undertaken to carry out that arrangement I am prepared to accept his word. With regard to the item of £100 for travelling expenses for honorary Ministers, the vote does not amount to much, but there is an important principle involved. I cannot see why honorary Ministers should be paid travelling expenses any more than any other member of the House. They have never been so paid in any of the States.

Mr. DEAKIN.—This sum is not for ordinary travelling expenses, but only for special trips undertaken in connexion with public business.

Mr. A. McLEAN.—But private members have to travel as well.

Mr. DEAKIN.—So have the honorary Ministers; but this vote covers only the bare expenses incurred by them in attending functions in the States which the other Ministers would otherwise have to attend.

Mr. A. McLEAN.—If they relieve other Ministers of duties which they are supposed to perform, it is not too much to expect those Ministers to pay their expenses.

Mr. DEAKIN.—Not in the least, if the committee choose to strike out the item.

Mr. A. McLEAN.—If we keep on increasing the expenditure by small dribbles in every possible way the aggregate will be very large. When the attention of the Acting Prime Minister was drawn to several increases in the salaries of clerks in the early part of this division, he was not in a position to give the committee any information. I hold that the committee should be given full particulars of every increase, however large or small it may be. When one State is compelled to go in for percentage reductions—and its example will be followed by other States—it is a great anomaly that we should be increasing the salaries of our public officers. By the vote I gave just now, I did not wish to indicate that I thought that the gentleman who is filling the position is not worth the salary. I certainly think that he is well worth the salary, because I know that he is a most excellent officer and estimable man. I voted as I did to prevent the creation of a new office. I thought that if the salary were reduced to £400, the office would not be filled.

Mr. DEAKIN.—I had not the information at the moment it was asked for by the honorable member for Gippsland. An officer of the department was transferred to another in which he conceived that he found a better scope for his abilities. His salary was £260, and the only appointment I have made has been to fill that office at £180 a year, by taking an officer from the Naval branch, who otherwise would have lost his employment. That gave me a good saving to start with.

Sir MALCOLM McEACHARN.—There were other increases.

Mr. DEAKIN.—In reference to the clerks who received increases, we followed the provisions of the Public Service Act as if it were in operation. We had first of all a youth who joined at a salary of £50, and who had gone through twelve months' experience. With him the provision made is that from the 1st July to the end of the year he is to get a salary of £60, and from the 1st January next year a salary of £80.

ALCOLM McEACHARN.—Did he have experience before he joined the department?

DEAKIN.—Some experience.

MAUGER.—Is he of age, and ought he to be paid a better wage than £80 a year?

DEAKIN.—My recollection is that he is eighteen to twenty years of age. He was taken from the Tasmanian service, where they got £100 a year, and tried in the department, and are now getting £120 a year. They have far more important duties to do in the department than they had to do in the State service.

Then comes an officer who is doing work which last year was done by another, who has been moved up. He is now getting £100 a year now, as against £150 previously received.

ALCOLM McEACHARN.—Thirty per cent. is a very good increase.

DEAKIN.—The officer is doing work which last year was done by another at a salary of £240. When that was taken away, we moved up the other with these increases. The other has been in the Commonwealth ever since his initiation, and was very highly recommended by the officers last year. He got an increase last year, and he gets a further increase this year. The increase is over two years. If my honorable friend takes into account the saving we make, and notices that this is a gradual improvement of officers according to the principle laid down in the Public Service Act, he will see that the recognition is more than the good work done by the officers deserves. I must say I felt under no obligation to them, inasmuch as I have not made this reduction, but, as my friend is aware, I have placed at the disposal of the commission, of which he is a member, an officer whose work has to be done amongst all the other officers, while incurring the cost of a secretary to that

ALCOLM McEACHARN (Melbourne).—I think it would be a pity to strike the item, in view of the promise which has been given by the Acting Prime Minister.

ALMON (Launceston).—I was in favour of striking out the item; but after the statement of the Acting Prime Minister, I think that we should be justified in not doing so at present. I deeply regret the precedent which was taken; but a very large

number of those who voted against the proposal to reduce the item of £600 cannot conscientiously, I think, refuse to accept the offer made by the Government.

Mr. JOSEPH COOK (Parramatta).—I appeal to the honorable member for Coolgardie to withdraw his motion, because it is quite clear from what has been said that the Government do not intend to appoint this clerk to the higher position. Supposing he was the fittest man who could be found, if the Government will not appoint him to the position, there is an end to the matter. If we refuse to vote this salary he will have to go about his business, I presume, until some work can be found for him to do. We ought not to deal in that way with an officer who has been brought over from a State service. Since the Government have promised to transfer him to another position whenever an opportunity arises, the least we can do is to continue his salary until that can be done.

Mr. SYDNEY SMITH (Macquarie).—This officer was transferred from New South Wales, and he was specially selected by Lord Hopetoun on account of his exceptional ability to fill the position. I am informed on very good authority that he is an excellent officer. It would be a great pity if an injury were done to an officer who has served the State of New South Wales and also the Commonwealth in such an exceptional manner as has been stated. I hope that he will suffer no injustice as he might do if this motion were carried. I suggest that he might be considered in connexion with the appointment of secretary if he is competent to discharge the duties; but until that question is settled, he should be allowed to remain in his present position.

Mr. JOSEPH COOK (Parramatta).—The statement made by the honorable member for Macquarie, if correct, puts a new aspect on this matter. If Lord Hopetoun specially selected this officer to come over to Melbourne, the question arises whether he was in the service of New South Wales at all.

Mr. SYDNEY SMITH.—I believe that Lord Hopetoun made a request for his services.

Sir GEORGE TURNER.—He filled a similar position in the office of the Governor of New South Wales.

of £400 a year as members, in to their Ministerial salary, I that would be the end of the connected with the Ministerial I believe that Ministers are entitled allowances, but I do not think that I should be asked to make payments to honorary Ministers whom they have helped to help them in their work. This is a matter of principle and not of amount. Now this item to pass we shall provide expenses under one head and so far increased that we shall be asked to vote the equivalent of full for the honorary Ministers. I shall support the amendment.

JOSEPH COOK (Parramatta).—No doubt the Government have acted in persistency in submitting this item for our consideration. I should not object to the honorary Ministers being recouped their expenses on departmental votes, but I object to the principle involved in the appointment of honorary Ministers.

SIR GEORGE TURNER.—There is no department out of which these expenses are legally paid. The departmental vote is available only for the payment of expenses incurred in connexion with the business of the respective department.

JOSEPH COOK. — Are there not instances of which Ministers can recoup their travelling expenses?

SIR GEORGE TURNER. Yes, when they are engaged in carrying out the work of their respective departments.

JOSEPH COOK.—There should be no difficulty in arranging to refund to the Ministers any expenses which they incur when they are engaged on public business. I shall vote against the item, but I think that the practice of appointing honorary Ministers should be discontinued as far as possible.

JOSEPH COOK.—That the item "Travelling expenses of honorary Ministers, being for expenses incurred, £100," stand as proposed. The committee divided.

s	...	...	...	26
s	...	...	...	14
				—
Majority	...	...	...	12

AYES.

Bamford, F. W.
Conroy, A. H.
Crouch, R. A.
Deakin, A.
Edwards, R.
Groom, L. E.
Higgins, H. B.
Kingston, C. C.
Kirwan, J. W.
Lyne, Sir W. J.
Mannford, J. C.
Mauger, S.
McEacharn, Sir M. D.
O'Malley, K.

Reid, G. H.
Ronald, J. B.
Sawers, W. B. S. C.
Skene, T.
Smith, S.
Turner, Sir G.
Watkins, D.
Watson, J. C.
Wilkinson, J.
Willis, H.

Tellers.

Cook, J. H.
Fuller, G. W.

NOES.

Brown, T.
Cook, J.
Edwards, G. B.
Fowler, J. M.
Mahon, H.
McCay, J. W.
Page, J.
Paterson, A.

Poynton, A.
Salmon, C. C.
Solomon, E.
Tudor, F.

Tellers.

McDonald, C.
Wilks, W. H.

Question so resolved in the affirmative.

Vote agreed to.

Division 13 (*Administration of New Guinea*)—£20,000.

MR. MAHON (Coolgardie).—The Minister should give some information about this expenditure. Twenty thousand pounds is a heavy subsidy for the Commonwealth to have to pay year after year. It seems to me that the Ministry would do well to intimate to the officer in charge of New Guinea that it is desirable to raise a little more revenue from customs duties.

MR. MCCAY.—From customs duties?

MR. MAHON.—I believe in the imposition of customs duties to meet the expenses of Government, but not to keep alive rickety industries at Castlemaine or elsewhere.

SIR GEORGE TURNER.—The increase in customs receipts from New Guinea this year is estimated at £3,000.

MR. MAHON.—The annual report does not show how the money is to be raised. The revenue collected in the Possession during the year totalled £15,114, which is £1,279 in excess of that of any preceding year, whereas the customs dues totalled £11,389 10s. 1d., an increase of £567 12s. over the amount collected in 1899-1900. I do not find in the report any statement of the revenue derived from the various articles imported, some fifteen lines of which are specifically enumerated, the value of the rest, classified as "other articles," being put down at £30,219.

MR. MCCAY.—What is the total value of the imports?

Mr. JOSEPH COOK.—What had Lord Hopetoun to do with sending this officer over to Melbourne? I hope that he did not go about the departments for officers to come over here, and do this kind of work. It would have been *infra dig.* on his part to make a request for any officer, and if I thought for a moment that he did so, I should have a very different impression of him from what I have. We might leave the salary of this officer alone until something else can be found for him to do.

Mr. MAHON (Coolgardie).—I am inclined to think that the fears expressed by the honorable member for Macquarie of any injustice being done to this officer are purely groundless. That is not my intention, nor will it be the effect of my motion if it is carried. It is quite optional with the Government to promote the officer to the position of secretary. After the high testimonials which have been given by Lord Hopetoun, the Acting Prime Minister and other honorable members, I feel certain that the officer, whom I do not know, must be eminently qualified for the post. When the Government can reduce the cost of this department by the substantial sum of £350 a year, they have no shadow of excuse for not appointing him. Supposing that the item were omitted there must be other positions to which he could be transferred almost immediately. Neither on one ground nor on the other is there any excuse for allowing the item to remain. Honorable members who are continually talking about the necessity for economy will expose themselves to a charge of inconsistency if they vote against my amendment, which is intended to effect a saving of expenditure, and at the same time to secure promotion for a deserving officer.

Mr. R. EDWARDS (Oxley).—I have no personal knowledge of the gentleman whose salary is under discussion. The only question in my mind is whether there is work sufficient to justify us in paying this officer a salary of £325 per annum. If the Acting Prime Minister is prepared to assure us that it is absolutely necessary that we should have a clerk in the office, I shall support the item.

Mr. DEAKIN.—It is necessary to have a clerk in the office, but I have promised to replace the present occupant of the position, as soon as he can be transferred, with a clerk at about £100 per annum.

Amendment negatived.

Amendment (by Mr. McDONALD) proposed—

That the item, "Travelling expenses of honorary Ministers, being for actual expenses incurred. £100" be omitted.

Mr. DEAKIN.—Rather than have a debate upon this item of £100, I prefer to withdraw it. I am sorry that the work of honorary Ministers is not better appreciated.

Mr. CROUCH (Corio).—I object to the withdrawal of the item. I think it is only fair that Ministers who perform public services should be recouped any expense which they may incur, and it is most improper to suggest that they should pay out of their own pockets money spent in the discharge of their Ministerial duties. I have consistently supported every movement in the direction of economy, but I think we should be trifling with the honour of the House if we did not insist upon the retention of this item in the Estimates.

Mr. SYDNEY SMITH (Macquarie).—I hope the honorable member for Kennedy will withdraw his amendment. I understand that if an honorary Minister does not attend a particular function on behalf of the Government, a salaried member of the Government will be called upon to discharge this duty, and will be entitled to have his expenses defrayed. Therefore it is not likely that any saving will be effected by the omission of this item. The Vice-President of the Executive Council has performed a great deal of useful work for the Government, and I understand that he is not being paid any salary.

Mr. DEAKIN.—Hear, hear.

Mr. SYDNEY SMITH.—I believe, further, that he did not receive one penny of the £55 which was spent last year in defraying the expenses of honorary Ministers.

Mr. McDONALD (Kennedy).—The expenses of honorary Ministers should be paid by the members of the Government. In the first place, there was no need to appoint any honorary Ministers. If the number of Ministers first provided for was not sufficient, it was the duty of the Government to ask for more. One of the honorary Ministers was appointed to suit the convenience of the Government, and the other office was created in order to give Tasmania representation in the Cabinet. When we agreed that Ministers should be allowed to draw their

AMENDMENT NEGATIVED

assist him. I would suggest to the honorable member for Tasmania, Mr. O'Malley, that he should withdraw his amendment, and that when we come to the line, "Clerk, £325," he should move to strike it out. A clerk is an officer who performs the mechanical work of the department, and it is absurd that we should pay £325 per annum for the work in addition to a salary of £600 per annum for a secretary. If we strike the provision for a clerk, this item will remain. The secretary's time will be fully occupied, and he is not likely to be much out of pocket if he has to find one to do the mechanical work.

Mr. O'MALLEY.—But we should be dismissing a good man if we got rid of the clerk.

Mr. DEAKIN.—No one will be dismissed.

Mr. REID.—No; the clerk will be transferred to some other department.

Mr. WILKS.—The whole range of the service will be open to him.

Mr. O'MALLEY.—A salary of £600 is too high for any man.

Mr. WILKS.—It appears that there is already a clerk in the office; but it is not necessary to dismiss him, seeing that he may find a position in some other branch of service. At any rate, my only concern is to watch the interests of the public. The Acting Prime Minister and the leader of the Opposition occupy positions which compel us to pay attention to the opinions they express, and I feel that I must accept their statement that £600 is not too large a salary for the office. I should be glad if the honorable member for Tasmania, Mr. O'Malley, would withdraw his amendment and order that I may move that the item "Clerk, £325," be omitted.

Mr. SALMON (Launceston).—I am sorry the Government have proposed to appoint a secretary to the Federal Executive Council at a salary of £600. When the last Estimates were before the Chamber there was discussion in regard to the remuneration which was paid to the then Secretary to the Governor-General for extra services rendered to the Executive Council, and honorable members may recollect that I strongly advocated the claims of the incumbent of that office for consideration at the hands of the committee. The item was passed, and I have not altered my opinion with regard to it, but I deplore the fact that the Government have manufactured another office, which in my opinion is not necessary.

Mr. DEAKIN.—Was the honorable member here when I spoke?

Mr. SALMON.—No.

Mr. DEAKIN.—Had the honorable member been present he would not now make that statement.

Mr. SALMON.—I am only expressing my opinion. The argument used when this matter was discussed before—and I dare say it has been used to-day—was that it is absolutely necessary on account of the character of the communications which pass between the Commonwealth Government and the Home Government, that the officer in charge should be entirely under the control of the federal authorities. I do not agree with that argument. I feel satisfied that the gentleman occupying the very responsible position of private secretary and confidential adviser to the Governor-General is quite competent to undertake the duty of acting as the medium of communication between us and the Home Government. The only danger to be apprehended is that of the divulging of confidential reports and despatches, but I cannot imagine an officer occupying the position to which I have alluded being guilty of anything approaching such conduct. I am prepared to vote against the item. I quite agree with honorable members who are of opinion that an appointment of the kind would mean the immediate creation of a department, the officers in which would arrogate to themselves a position in the service which, in my opinion, they should not occupy. The greatest danger is that the Government have to encounter at the hands of the people of the Commonwealth is due to the multiplication of offices under federal authority. As a supporter of the Government, I regret to find again—because this is not the first time it has happened—the creation of an absolutely new office which had no existence under the States Governments.

Sir WILLIAM LYNE.—I should be very sorry to follow every example of the States.

Mr. SALMON.—I know that the Minister for Home Affairs is very sorry to follow any example; he likes to lay down a line for himself. The honorable gentleman, while he is not prepared to follow anybody, would like us all to follow him; but I am not prepared to follow in the direction desired on this occasion.

Mr. JOSEPH COOK (Parramatta).—I have a great deal of sympathy with the

Mr. MAHON.—£71,118.

Mr. McCAY.—Then the Customs revenue is about 15 per cent. of that amount.

Mr. MAHON.—The honorable and learned member refused to agree to duties of 15 per cent. when the Tariff was under discussion in this Chamber.

Mr. McCAY.—Not to revenue duties of 15 per cent.

Mr. MAHON.—The Administrator in his report makes a very fair suggestion. In recommending that the arrangement in regard to the subsidy be fixed for a definite period, he writes—

It is scarcely necessary for me to point out the advantage of this to both sides, the Federal Government knowing what they will have to provide in their Estimates, and the Administration of the Possession knowing the limit of the annual contribution to their revenue.

At the same time I think that the present subsidy is a very heavy one, and that some arrangement might be made by which the revenue of the Possession would be increased. There is another small matter to which I would like to refer, and that is that the bulky report of the Administrator which has been placed in our hands bears upon it the imprint of the Government Printing-office, Brisbane, 1902; while the document is said to be "Printed for the Commonwealth of Australia." Did the Commonwealth authorize the printing of it?

Sir GEORGE TURNER.—Not specifically. The Brisbane office has been doing work of this kind for the Commonwealth; but, no doubt, expenses can be cut down.

Mr. MAHON.—I notice that the Possession is paying 4 per cent. as interest on a loan of £1,000.

Mr. DEAKIN.—That interest was being paid upon an overdraft which existed at the time of the transference, but I do not think it is being paid now.

Sir GEORGE TURNER.—The New Guinea authorities have received a distinct intimation that under no circumstances will they receive more than £20,000 a year from the Commonwealth.

Mr. MAHON.—Ordinance No. 6, of 1900, authorizes the borrowing of £3,000 for the public service, at a rate of interest not exceeding 4 per cent. It does not appear that the money has been repaid.

Sir GEORGE TURNER.—No provision for the payment of the interest is made on the Estimates, but I will make inquiries into the subject.

Mr. MAHON.—Four per cent. is a very high rate of interest now; the average rate is between $3\frac{1}{2}$ and $3\frac{1}{2}$ per cent. I should like to know if the Government have abandoned the idea of obtaining from the Imperial Government a contribution towards the maintenance of the *Merrie England*. I understand that the steamer is available, not merely for the New Guinea service, but also for the service of some of the adjacent islands.

Mr. DEAKIN.—Only in connexion with the administration of New Guinea.

Mr. MAHON.—Can it be said that the Imperial Government has given up all control of New Guinea, when at any time there may be difficulty about the adjustment of the boundaries between the British and German possessions? I think that we should have some explanation with regard to all these matters.

Mr. G. B. EDWARDS (South Sydney).—I wish to know from the Attorney-General whether federal legislation will not be necessary to provide for the administration of New Guinea by the Commonwealth. I am very pleased to notice that the sales of land there have been restricted. It seems to me that we should do well to prevent the sale of land there altogether, until we know better how the territory should be administered. I would rather see the amount now derived from land sales added to the annual subsidy than permit land speculation there.

Mr. DEAKIN.—The questions to which the honorable member for Coolgardie has called attention were considered in connexion with the annual Estimates for New Guinea. The chief source of increased Customs revenue there is a levy made upon the sticks of tobacco which are the current coin of the country, labour being paid for and goods purchased by them. It did not seem possible to materially increase the Customs receipts in any other way, because, as there are very few whites in the country, the consumption of dutiable articles is very small. The honorable member for South Sydney is right in assuming that the alienation of land, the increase of customs duties, and the relations between the Possession and the Commonwealth will have to be dealt with in the measure which the Government hope to prepare during the recess for presentation to Parliament next session. At the present time we are merely continuing the existing methods of administration, and making what economies we can. There has

ly been no demand for land in New except in such areas as have had to be.

UDOR.—What is meant by "Native fees, £255"?

DEAKIN.—That sum was received for the registration of agreements between natives and their employers. I agreed to.

ion 14 (*Mail Service to Pacific*)—£6,000.

E. SOLOMON (Fremantle).—There have been some increase in the additional subsidy granted on condition that labour is not used in this mail

DEAKIN.—No; but a larger amount was provided for this year, because last year was only for a portion of the

E. SOLOMON.—I understand that there has been some correspondence in relation to the action of Messrs. Philp and Co., as is said, are not complying with the condition.

DEAKIN.—I have not seen it.

E. SOLOMON.—I think that the Minister should explain the reason for this and why an additional subsidy of £6,000 has been granted for the extension of mail services.

SAWERS (New England).—I cannot understand why the vote for a mail service to the Islands should be included in the estimates for the Department of External Affairs.

All other mail services are provided for in the estimates for the Postmaster-General's department. It seems to me that the Minister should have an explanation of the reason why the Commonwealth is to pay £6,000 a year for a small mail service to the South Sea Islands. In addition to the sum which has previously been paid by the New South Wales Government, there is provision made for a subsidy of £2,000.

DEAKIN.—The additional amount was provided last year for the extra service.

SAWERS.—What I desire to know is whether this expenditure is justified in relation to a mail service or whether it should be regarded simply as a bonus given to the merchants to assist them in disposing of their goods in the South Sea Islands, and in that way to make a profit. I have often seen men protest against everything else in the way of bonuses, but it seems that the Commonwealth is to assist them in their business undertakings. If free-trade

is a correct principle they ought to carry on their business upon commercial lines. If I had an opportunity of testing the matter, I should decline to vote one shilling out of the Commonwealth funds to enable Sydney merchants to run ships to the islands for their own profit. Can this expenditure of £6,000 per annum for the conveyance of a small mail service—a mere handful of letters—to the islands be justified?

Mr. CROUCH.—Has the honorable member read the reports?

Mr. SAWERS.—No.

Sir MALCOLM McEACHARN.—He should do so, for they put a different aspect on the matter. They show that a much bigger question is involved.

Mr. SAWERS.—I believe this is a subsidy granted for the assistance of certain companies.

Mr. McDONALD.—Burns, Philp, and Company.

Mr. SAWERS.—I am not going to mention names. I do not care who the merchants are. I should like the Minister to justify this expenditure by showing the extent of the mail service.

Mr. DEAKIN.—I thought that the honorable member would have recalled sufficient of the discussion which took place upon this proposal last year to have rendered an explanation unnecessary. The payment of this subsidy was authorized by Parliament before it was made by the Government. The contract was not entered into upon the ground that the money would be well spent for the mere carriage of letters once a month between Australia and the various groups of islands named, nor was it a proposal to give any bonus to the merchants of Australia. Although there is a certain export from Australia to these islands, an equal trade, so far as I am aware, is the return traffic in the shape of produce. The object which we had to serve was neither to facilitate the carriage of produce or the conveyance of mails, although both those considerations certainly had some weight with us in arriving at a determination. Our object was to insure a sufficient settlement in that no-man's land—the New Hebrides, in reference to which there is a joint agreement between Great Britain and France that neither power shall take over control. In the existing circumstances, the settlement of the islands was rapidly

becoming wholly French. English settlers were being starved out, but an opportunity was afforded by this means of encouraging the settlement of Australians.

Mr. SAWERS.—That is another matter. The subsidy of £3,600 has been going on for years.

Mr. DEAKIN.—We took that over. All that we are called upon to justify is the new departure made to encourage Australian settlement in the New Hebrides. Our efforts have been successful. Some 50 or 60 fresh settlers are already there, and are preparing to take over their families, while others are following. It is expected that this will be the beginning of a connexion with these various groups of islands—which, with the exception of the New Hebrides, are all under the British flag—that hereafter will be of considerable importance to the Commonwealth. We are spending this money, not for immediate, but for future results. There should be a reasonable hope that in the future these services may be made self-supporting. We cannot expect such a result for some years to come; but this subsidy, which the House in all the circumstances thought it judicious to authorize, is becoming of assistance in developing the trade both to and from the islands.

Mr. SAWERS. — Why call it a mail service?

Mr. DEAKIN.—It is because of the mixed motives which led to this service being authorized that it is not thought fair to debit the Post-office with what really is the cost of action taken by the House with regard to its future Pacific policy.

Mr. WATSON (Bland).—Since this matter was last before the committee, I have given it some consideration, and I am rather of the opinion that we made a mistake in agreeing to it. As many honorable members know we find great difficulty in obtaining the expenditure of a paltry £100 or so for the development of our internal resources, and yet we seem to undertake these external responsibilities in the free and easy manner which is involved in the presentation and passage of these Estimates through the committee. From what I can glean, I believe that there is likely to be complications with one other nation in regard to this New Hebrides business. A considerable stir is being made about the incursion of settlers from Australia, but I think it would be a good

thing if the fever-stricken islands were confined to French settlers. I do not know what degree of responsibility the Government are accepting as to the land which the settlers are taking up. I understand that there was some offer of land by Burns, Philp, and Co.

Mr. DEAKIN.—They offered it to the settlers, not to the Government.

Mr. WATSON.—It was stated at the time that the land was being offered to the Government for the use of any settlers who might care to take advantage of it. In any case it seems to me that we should pursue a wiser course if we refrained from prosecuting this enterprise beyond the Commonwealth.

Mr. THOMSON (North Sydney).—As one who knows perhaps as much about this matter as does any honorable member, I support the Government proposal. I do so for what I believe are the very best of reasons. I have no personal interest whatever in the New Hebrides. I have only that interest which all Australia, if it looks rightly at the matter, has in the nearer islands of the Pacific.

Mr. SAWERS.—Is this not a bonus?

Mr. THOMSON.—I am not speaking of what it is. I shall explain the whole position to the committee. Some honorable members may be able to recollect the occasion upon which French marines were landed on the New Hebrides. Who objected to that? Who secured the withdrawal of the marines? The people of Australia—principally the people of Victoria. And for what reason? Because they recognised the fatal carelessness which had allowed New Caledonia, which was in the commission of the first Governor of New Zealand, to pass into the hands of a foreign power with threatened dangers to Australia.

Mr. WATSON.—There is a difference between New Caledonia and the New Hebrides, and it is all in favour of New Caledonia.

Mr. THOMSON.—That may be; but it depends upon whether the honorable member is referring to the mining or agricultural wealth of those islands. In regard to agricultural wealth, the New Hebrides are far better than New Caledonia. But that is not the point. Some little time after the landing of French marines on those islands had been successfully resisted, representations were made to the people of this

who were interested in the preservation of the independence of the islands, that Australia had objected to the French action, it was doing nothing to retain them which at one time belonged wholly to Australia. It was pointed out that it was nothing to maintain British settlements in the New Hebrides; that the French had colonized the French New Hebrides and to enter into trading enterprises to acquire land and to obtain settlements and that it was seeking a preponderant influence which would settle the fate of those islands. Those who had taken part in the opposition to the landing of French marines were asked—"Will you do nothing to support British settlements against this competition on the part of the French Government?" The object of that appeal was that a large number of people here invested small sums in the Australian New Hebrides Company. They were told that the company was not intended to make a profit; that it was merely to protect British interests in the islands, and they knew that probably the money they put into the company would be required for some twelve years or more they entered into this struggle with the French New Hebrides Company, the French company being backed up by the secret support of the French Government. In the face of that opposition, in spite of the large sums which were spent by the British Government, they managed not to maintain but to increase British settlements with the islands, and also to increase to some small extent British settlements there. After it had lost £20,000 in the company found that it could no longer induce private individuals in the community to provide the money to carry on the contest, and a proposal was made to Burns, Philp, and one of whose steamers had been used previously to carry on the

MALCOLM MCEACHARN.—Was not the object the reconstruction of the com-

THOMSON.—The company was re-organized, but I am referring to a period subsequent to the loss of the additional subsidy that was obtained. There had been a subsidy granted by the Victorian and South Wales Governments jointly.

WILLIAM LYNE.—That subsidy was in- about three years ago.

Mr. THOMSON.—Yes; I can say from my own knowledge that even with that subsidy a loss was suffered every year in the effort to maintain British influence in the group. The loss continued to such an extent that it was found impossible to go on, and an effort had to be made to get some one else to take up the service. Burns, Philp, and Co. took it up, and they also suffered a loss. I feel justified in saying that, although settlement and trade are increasing, no profit has resulted from their efforts, notwithstanding that they obtain a subsidy. I admit that as soon as the service can rest on its own bottom the subsidy should be withdrawn. But I assert that in the national interest it is very undesirable that we should allow these islands to pass over to the domination of France, and to become a greater menace than is New Caledonia to Australia. There is a better harbour in the New Hebrides than is to be found in New Caledonia, and that is one reason why the French would like to get possession of the islands, and secure a naval base which would become a source of danger to us in the future.

Mr. WATSON.—Does the honorable senator say that the results may be more serious in the New Hebrides than in New Caledonia?

Mr. THOMSON.—I say that the naval menace would be more serious if the French had predominance in both places. Ships coming from Noumea through the reef-opening could be blocked by one or two men-of-war, and the offensive armaments which could be used against the British fleet in Sandwich harbour of the New Hebrides could not be used at New Caledonia. We are entering upon our career as a United Australia, and one of our principal objects is to see that these islands shall not become the play-ground of foreign powers to a larger extent than at present, and thus allowed to introduce us to the troubles of European politics. I am satisfied that this expenditure, which, I hope, owing to increased trade, will be a decreasing one, is not only desirable, but will save a great deal of expense in the future. As to the land, it had to be acquired by the company, because the French were urging land ownership as a reason for French annexation. And I can tell honorable members the precautions that were taken in connexion with the acquisition of the land. Part of it had long been acknowledged to be in the possession

of one or two Sydney firms, who had traded with the islands for many years before there were any French or English there. The other part was acquired from the natives, but never without the presence of the missionaries and others who could speak the native language, and who could testify that it was freely offered and disposed of by the right owners. No attempt has ever been made to make money out of the land; and the present offer to the Federal Government is that a merely nominal charge shall be made. Naturally a commercial firm like Burns, Philp, and Co. look for some return from enlarging trade, but what has been desired all along is settlement by the British people, not, perhaps, in large numbers, but sufficiently large to promote British interests, and to resist the claim daily made in Paris that the French are predominant in landholding, settlement, and trade. There can be no doubt the French trade and French interests would become much larger if the subsidy were withdrawn. I never had, and have not now, any pecuniary interest in these islands, except as one of the contributors to what was merely a donation towards the maintenance of the British connexion. The only interests I have are the interests of Australia.

Mr. CROUCH (Corio).—I have read the correspondence between Burns, Philp and Co. and the Prime Minister, and I am satisfied that it was a statesmanlike act to subsidize the steam-ships. I should like to know from the Treasurer why £3,600 appears in the Estimates as transferred expenditure, while £2,400 appears as other expenditure.

Sir GEORGE TURNER.—Because £3,600 is the old liability, and £2,400 is the new expenditure incurred by the Commonwealth.

Mr. CROUCH.—If the Commonwealth is paying so large a sum as £2,400, or nearly one-half of the whole subsidy, it is only right that other ports, besides that of Sydney, should receive some consideration.

Sir WILLIAM LYNE.—But Sydney is the nearest port.

Mr. CROUCH.—No. Brisbane is the nearest port; but as the whole of the Commonwealth is paying, I think occasional trips might be paid, not only to Melbourne, but also to Adelaide and Brisbane, where there may be a desire to open up trade with the New Hebrides, and so save the cost of transhipment at Sydney.

Vote agreed to.

Division 15 (*Miscellaneous*), £500.

Mr. FOWLER (Perth).—I should like to know whether the Government regard the recent investigation into the Immigration of Italians into Western Australia as closed. Considerable dissatisfaction is felt with the imperfect nature of the inquiry which was made by the magistrate appointed for the purpose. It is rather singular that the particular mining district to which the Italians have gone in the largest numbers was carefully avoided, as it would appear, by the gentleman who made the investigation.

Mr. DEAKIN.—We have since received returns from police officers and others in regard to that district, and I think the report is now complete.

Mr. FOWLER.—I am aware that reports have been furnished, but still it is a pity that the magistrate did not visit that district. I also regret that greater powers were not conferred on the magistrate in the direction of compelling witnesses to attend in order to give evidence on oath. The inquiry has not been as thorough as it might have been, and I should like to know whether the Government consider it closed.

Mr. DEAKIN.—The inquiry is not closed against the receipt of any further information, and the intention is to use the report as the basis for the consideration of the question, in any of its phases, whenever it may arise. Under the operation of the Immigration Restriction Act we are keeping a careful catalogue of all entrances into all parts of the Commonwealth, checking and comparing them, and endeavouring to trace them when we discover any remarkable circumstances, such as the regular appearance of a number of immigrants of any particular nationality. It does not follow that because the report has been presented that the inquiry is closed; on the contrary, the report is only intended to throw light on the continuous investigation which we now make into all the arrivals into the Commonwealth.

Mr. MAHON (Coolgardie).—If the Government intend to press this investigation any further in Western Australia, I hope they will find a different commissioner than Mr. Roe. First of all, this gentleman is said to have been extremely reluctant to leave Perth, and wanted all the witnesses to attend on him in that city. As the honorable member for Perth has pointed out, he absolutely neglected to visit the Murchison

where there are, I suppose, ten in the mines for one Italian working hardie or Kalgoorlie. That is a place anywhere, he could have obtained evidence connecting the presence of men with some contract or stipulation outside the Commonwealth. By this the head of the Government knows the appointment of Mr. Roe was not which would have been recommended representatives of Western Australia. Inquiry conducted as this has been effective. In order to obtain the required it is necessary to have a man more of a detective than a police officer, because it is impossible to induce him to come into open court and admit that contracts exist. In such a case it must be indirect instead of direct.

Mr. FOWLER.—According to the report, it has been admitted in at least one

Mr. MAHON.—I was not aware of that. At the sum of £500 is provided for the expenses of these investigations. The day, in answer to a question, I was told the cost of the reports of Mr. Dashwood and Mr. Warton into the pearl-fishing industry did not exceed £300. Does the Acting Prime Minister think that £300 more was expended by him in his investigation in Western Australia?

Mr. DEAKIN.—No; nothing like it. I like to trust my memory, but I believe the cost of the inquiry by Mr. Warton was not more than £50.

Mr. MAHON.—Then what is the object of this sum of £500 on the Estimation?

Mr. DEAKIN.—We have to cover the cost of preparing the report and other expenses.

Mr. MAHON.—Do I understand that the cost of Mr. Justice Dashwood's services was only £155, including shorthand and other contingencies?

Mr. DEAKIN.—That is all that was paid to Mr. Justice Dashwood for everything.

Mr. MAHON.—Did that also pay for Mr. Justice Dashwood's conveyance to Broome Island?

Mr. DEAKIN.—Speaking from memory, I did.

Mr. MAHON.—Then I think the work was done at a remarkably cheap rate.

Mr. DEAKIN.—The cost was very reasonable in both cases.

Mr. MAHON.—But there is no reason why Mr. Warton's report should cost so much, since he was on the spot.

Mr. DEAKIN.—He had travelling expenses, and he had to get assistance for taking down the evidence. The honorable member may see the items if he wishes.

Mr. MAHON.—But there is no evidence in Mr. Warton's report.

Mr. DEAKIN.—Mr. Warton took a certain amount of evidence.

Mr. MAHON.—But Mr. Warton, as a Police Magistrate, was surely capable of taking down the evidence.

Mr. DEAKIN.—I am only speaking from memory, and the cost may not have been so much.

Mr. MAHON.—I understand that the House will not have an opportunity this session to discuss the reports on the pearl-fishing industry.

Mr. DEAKIN.—There may be an opportunity when we are waiting for the return of the Appropriation Bill from another place.

Mr. MAHON.—Possibly I ought not to inquire whether the Government intend to act on the recommendations in these reports.

Mr. DEAKIN.—The Government have not had time to consider the question yet.

Mr. MAHON.—In the meantime, is it not desirable that we should have a little more information about the pearl-shelling question?

Mr. DEAKIN.—The Government are still collecting information, and within the last fortnight I have had an opportunity of seeing three persons who have a knowledge of the industry.

Mr. MAHON.—In my opinion, the public would have much more confidence in an inquiry made by a select committee of this House, than in an inquiry by persons who may or may not be indirectly interested in the maintenance of the industry.

Mr. DEAKIN.—Two of the gentlemen whom I saw are engaged in the industry, and the other is interested on the opposite side.

Mr. MAHON.—That is just the trouble; it is very difficult to arrive at the truth when one side is extreme against the industry, and the other side is interested in its maintenance. Before we pass regulations, which may in one case mean the extinction of the whole township of Broome, we ought to be perfectly certain of our course. I have no information at

their administration of so small a department as this, but now that we are out for economy a saving of £325 a year in a small department is not to be despised, especially when it can be effected by the promotion of a worthy and capable man. The Acting Prime Minister says that this officer is capable only for the discharge of the duties he is at present called upon to perform, but I say that he may prove himself equally capable in the performance of the higher duties of Secretary to the Executive Council. Probably the man himself does not know what an excellent officer he would make as Secretary to the Executive Council at £600 a year, as I am sure that the spur of the additional emolument would induce him to put forward his best efforts to give satisfaction.

Mr. A. McLEAN (Gippsland).—I am not prepared to go quite so far as the honorable member for Coolgardie, but I think the item might be reduced by say £200 in order to carry out the suggestion made by the Acting Prime Minister.

Mr. DEAKIN.—I have before promised to make that reduction, by the transfer of this officer within the next month or two, as soon as the Acts to which I have referred come into force.

Mr. A. McLEAN.—Might it not be as well to do it now when dealing with the Estimates?

Mr. DEAKIN.—We must pay this officer the £325, as he is a permanent officer transferred from a State.

Mr. A. McLEAN.—If the Acting Prime Minister has undertaken to carry out that arrangement I am prepared to accept his word. With regard to the item of £100 for travelling expenses for honorary Ministers, the vote does not amount to much, but there is an important principle involved. I cannot see why honorary Ministers should be paid travelling expenses any more than any other member of the House. They have never been so paid in any of the States.

Mr. DEAKIN.—This sum is not for ordinary travelling expenses, but only for special trips undertaken in connexion with public business.

Mr. A. McLEAN.—But private members have to travel as well.

Mr. DEAKIN.—So have the honorary Ministers; but this vote covers only the bare expenses incurred by them in attending functions in the States which the other Ministers would otherwise have to attend.

Mr. A. McLEAN.—If they relieve other Ministers of duties which they are supposed to perform, it is not too much to expect those Ministers to pay their expenses.

Mr. DEAKIN.—Not in the least, if the committee choose to strike out the item.

Mr. A. McLEAN.—If we keep on increasing the expenditure by small dribbles in every possible way the aggregate will be very large. When the attention of the Acting Prime Minister was drawn to several increases in the salaries of clerks in the early part of this division, he was not in a position to give the committee any information. I hold that the committee should be given full particulars of every increase, however large or small it may be. When one State is compelled to go in for percentage reductions—and its example will be followed by other States—it is a great anomaly that we should be increasing the salaries of our public officers. By the vote I gave just now, I did not wish to indicate that I thought that the gentleman who is filling the position is not worth the salary. I certainly think that he is well worth the salary, because I know that he is a most excellent officer and estimable man. I voted as I did to prevent the creation of a new office. I thought that if the salary were reduced to £400, the office would not be filled.

Mr. DEAKIN.—I had not the information at the moment it was asked for by the honorable member for Gippsland. An officer of the department was transferred to another in which he conceived that he found a better scope for his abilities. His salary was £260, and the only appointment I have made has been to fill that office at £180 a year, by taking an officer from the Naval branch, who otherwise would have lost his employment. That gave me a good saving to start with.

Sir MALCOLM McEACHARN.—There were other increases.

Mr. DEAKIN.—In reference to the clerks who received increases, we followed the provisions of the Public Service Act as if it were in operation. We had first of all a youth who joined at a salary of £50, and who had gone through twelve months' experience. With him the provision made is that from the 1st July to the end of the year he is to get a salary of £60, and from the 1st January next year a salary of £80.

MALCOLM MCEACHARN.—Did he have experience before he joined the department?

DEAKIN.—Some experience.

MAUGER.—Is he of age, and ought he to be paid a better wage than £80 a year?

DEAKIN.—My recollection is that he is eighteen to twenty years of age. He was taken from the Tasmanian service, where they got £100 a year, and then tried in the department, and are now getting £120 a year. They have far more important duties to do in the department than they had to do in the State service.

Then comes an officer who is doing work which last year was done by another, who has been moved up. He is now getting £80 a year now, as against £150 he previously received.

MALCOLM MCEACHARN.—Thirty per cent is a very good increase.

DEAKIN.—The officer is doing work which last year was done by another at a salary of £240. When that was taken away, we moved up the salary with these increases. The other officers have been in the Commonwealth ever since their initiation, and was very highly recommended by the officers last year. He got an increase last year, and he gets a further increase this year. The increase is not over two years. If my honorable friend takes into account the saving we make, and notices that this is a gradual improvement of officers according to the principle laid down in the Public Service Act, he will see that the recognition is more than the good work done by the officers. I must say I felt under no obligation to them, inasmuch as I have not made this reduction, but, as my friend is aware, I have placed at the disposal of the commission, of which he is a member, an officer whose work has to be done amongst all the other officers, while paying the cost of the secretary to that department.

MALCOLM MCEACHARN (Melbourne).—I think it would be a pity to strike the item, in view of the promise which has been given by the Acting Prime Minister.

ALMON (Laanecoorie).—I was in favor of striking out the item; but after the statement of the Acting Prime Minister, I think that we should be justified in not doing that course. I deeply regret the pressure which was taken; but a very large

number of those who voted against the proposal to reduce the item of £600 cannot conscientiously, I think, refuse to accept the offer made by the Government.

Mr. JOSEPH COOK (Parramatta).—I appeal to the honorable member for Coolgardie to withdraw his motion, because it is quite clear from what has been said that the Government do not intend to appoint this clerk to the higher position. Supposing he was the fittest man who could be found, if the Government will not appoint him to the position, there is an end to the matter. If we refuse to vote this salary he will have to go about his business, I presume, until some work can be found for him to do. We ought not to deal in that way with an officer who has been brought over from a State service. Since the Government have promised to transfer him to another position whenever an opportunity arises, the least we can do is to continue his salary until that can be done.

Mr. SYDNEY SMITH (Macquarie).—This officer was transferred from New South Wales, and he was specially selected by Lord Hopetoun on account of his exceptional ability to fill the position. I am informed on very good authority that he is an excellent officer. It would be a great pity if an injury were done to an officer who has served the State of New South Wales and also the Commonwealth in such an exceptional manner as has been stated. I hope that he will suffer no injustice as he might do if this motion were carried. I suggest that he might be considered in connexion with the appointment of secretary if he is competent to discharge the duties; but until that question is settled, he should be allowed to remain in his present position.

Mr. JOSEPH COOK (Parramatta).—The statement made by the honorable member for Macquarie, if correct, puts a new aspect on this matter. If Lord Hopetoun specially selected this officer to come over to Melbourne, the question arises whether he was in the service of New South Wales at all.

Mr. SYDNEY SMITH.—I believe that Lord Hopetoun made a request for his services.

Sir GEORGE TURNER.—He filled a similar position in the office of the Governor of New South Wales.

Mr. JOSEPH COOK.—What had Lord Hopetoun to do with sending this officer over to Melbourne? I hope that he did not go about the departments for officers to come over here, and do this kind of work. It would have been *infra dig.* on his part to make a request for any officer, and if I thought for a moment that he did so, I should have a very different impression of him from what I have. We might leave the salary of this officer alone until something else can be found for him to do.

Mr. MAHON (Coolgardie).—I am inclined to think that the fears expressed by the honorable member for Macquarie of any injustice being done to this officer are purely groundless. That is not my intention, nor will it be the effect of my motion if it is carried. It is quite optional with the Government to promote the officer to the position of secretary. After the high testimonials which have been given by Lord Hopetoun, the Acting Prime Minister and other honorable members, I feel certain that the officer, whom I do not know, must be eminently qualified for the post. When the Government can reduce the cost of this department by the substantial sum of £350 a year, they have no shadow of excuse for not appointing him. Supposing that the item were omitted there must be other positions to which he could be transferred almost immediately. Neither on one ground nor on the other is there any excuse for allowing the item to remain. Honorable members who are continually talking about the necessity for economy will expose themselves to a charge of inconsistency if they vote against my amendment, which is intended to effect a saving of expenditure, and at the same time to secure promotion for a deserving officer.

Mr. R. EDWARDS (Oxley).—I have no personal knowledge of the gentleman whose salary is under discussion. The only question in my mind is whether there is work sufficient to justify us in paying this officer a salary of £325 per annum. If the Acting Prime Minister is prepared to assure us that it is absolutely necessary that we should have a clerk in the office, I shall support the item.

Mr. DEAKIN.—It is necessary to have a clerk in the office, but I have promised to replace the present occupant of the position, as soon as he can be transferred, with a clerk at about £100 per annum.

Amendment negatived.

Amendment (by Mr. McDONALD) proposed—

That the item, "Travelling expenses of honorary Ministers, being for actual expenses incurred, £100" be omitted.

Mr. DEAKIN.—Rather than have a debate upon this item of £100, I prefer to withdraw it. I am sorry that the work of honorary Ministers is not better appreciated.

Mr. CROUCH (Corio).—I object to the withdrawal of the item. I think it is only fair that Ministers who perform public services should be recouped any expense which they may incur, and it is most improper to suggest that they should pay out of their own pockets money spent in the discharge of their Ministerial duties. I have consistently supported every movement in the direction of economy, but I think we should be trifling with the honour of the House if we did not insist upon the retention of this item in the Estimates.

Mr. SYDNEY SMITH (Macquarie).—I hope the honorable member for Kennedy will withdraw his amendment. I understand that if an honorary Minister does not attend a particular function on behalf of the Government, a salaried member of the Government will be called upon to discharge this duty, and will be entitled to have his expenses defrayed. Therefore it is not likely that any saving will be effected by the omission of this item. The Vice-President of the Executive Council has performed a great deal of useful work for the Government, and I understand that he is not being paid any salary.

Mr. DEAKIN.—Hear, hear.

Mr. SYDNEY SMITH.—I believe, further, that he did not receive one penny of the £55 which was spent last year in defraying the expenses of honorary Ministers.

Mr. McDONALD (Kennedy).—The expenses of honorary Ministers should be paid by the members of the Government. In the first place, there was no need to appoint any honorary Ministers. If the number of Ministers first provided for was not sufficient, it was the duty of the Government to ask for more. One of the honorary Ministers was appointed to suit the convenience of the Government, and the other office was created in order to give Tasmania representation in the Cabinet. When we agreed that Ministers should be allowed to draw their

ce of £400 a year as members, in to their Ministerial salary, I that would be the end of the connected with the Ministerial I believe that Ministers are entitled allowances, but I do not think that should be asked to make payments to honorary Ministers whom they have to help them in their work. This matter of principle and not of amount. Now this item to pass we shall provide expenses under one head and so far increased that we shall be upon to vote the equivalent of full for the honorary Ministers. I shall amend.

JOSEPH COOK (Parramatta).—No the Government have acted in perjury in submitting this item for our. I should not object to the hono- nists being recouped their expenses the departmental votes, but I object the principle involved in the ap- of honorary Ministers.

GEORGE TURNER.—There is no depart- vote out of which these expenses e legally paid. The departmental e available only for the payment of g expenses incurred in connexion business of the respective depart-

JOSEPH COOK. — Are there not of which Ministers can recoup es their travelling expenses?

GEORGE TURNER. — Yes, when they aged in carrying out the work of pective departments.

JOSEPH COOK.—There should be alty in arranging to refund to the y Ministers any expenses which they or when they are engaged on public . I shall vote against the item, be- think that the practice of appoint- nary Ministers should be dis- as far as possible.

ion.—That the item "Travelling of honorary Ministers, being for expenses incurred, £100," stand as -put. The committee divided.

... .. 26

... .. 14

—

Majority 12

AYES.

Bamford, F. W.
Conroy, A. H.
Crouch, R. A.
Deakin, A.
Edwards, R.
Groom, L. E.
Higgins, H. B.
Kingston, C. C.
Kirwan, J. W.
Lyne, Sir W. J.
Manifold, J. C.
Mauger, S.
McEacharn, Sir M. D.
O'Malley, K.

Reid, G. H.
Ronald, J. B.
Sawers, W. B. S. C.
Skene, T.
Smith, S.
Turner, Sir G.
Watkins, D.
Watson, J. C.
Wilkinson, J.
Willis, H.

Tellers.

Cook, J. H.
Fuller, G. W.

NOES.

Brown, T.
Cook, J.
Edwards, G. B.
Fowler, J. M.
Mahon, H.
McCay, J. W.
Page, J.
Paterson, A.

Poynton, A.
Salmon, C. C.
Solomon, E.
Tudor, F.

Tellers.

McDonald, C.
Wilks, W. H.

Question so resolved in the affirmative.

Vote agreed to.

Division 13 (*Administration of New Guinea*)—£20,000.

Mr. MAHON (Coolgardie).—The Minis- ter should give some information about this expenditure. Twenty thousand pounds is a heavy subsidy for the Commonwealth to have to pay year after year. It seems to me that the Ministry would do well to intimate to the officer in charge of New Guinea that it is desirable to raise a little more revenue from customs duties.

Mr. McCAY. From customs duties?

Mr. MAHON.—I believe in the imposi- tion of customs duties to meet the expenses of Government, but not to keep alive rickety industries at Castlemaine or else- where.

Sir GEORGE TURNER.—The increase in customs receipts from New Guinea this year is estimated at £3,000.

Mr. MAHON.—The annual report does not show how the money is to be raised. The revenue collected in the Possession during the year totalled £15,114, which is £1,279 in excess of that of any preceding year, whereas the customs dues totalled £11,389 10s. 1d., an increase of £567 12s. over the amount collected in 1899-1900. I do not find in the report any statement of the revenue derived from the various articles imported, some fifteen lines of which are specifically enumerated, the value of the rest, classified as "other articles," being put down at £30,219.

Mr. McCAY.—What is the total value of the imports?

Mr. MAHON.—£71,118.

Mr. McCAY.—Then the Customs revenue is about 15 per cent. of that amount.

Mr. MAHON. — The honorable and learned member refused to agree to duties of 15 per cent. when the Tariff was under discussion in this Chamber.

Mr. McCAY.—Not to revenue duties of 15 per cent.

Mr. MAHON.—The Administrator in his report makes a very fair suggestion. In recommending that the arrangement in regard to the subsidy be fixed for a definite period, he writes—

It is scarcely necessary for me to point out the advantage of this to both sides, the Federal Government knowing what they will have to provide in their Estimates, and the Administration of the Possession knowing the limit of the annual contribution to their revenue.

At the same time I think that the present subsidy is a very heavy one, and that some arrangement might be made by which the revenue of the Possession would be increased. There is another small matter to which I would like to refer, and that is that the bulky report of the Administrator which has been placed in our hands bears upon it the imprint of the Government Printing-office, Brisbane, 1902; while the document is said to be "Printed for the Commonwealth of Australia." Did the Commonwealth authorize the printing of it?

Sir GEORGE TURNER.—Not specifically. The Brisbane office has been doing work of this kind for the Commonwealth; but, no doubt, expenses can be cut down.

Mr. MAHON.—I notice that the Possession is paying 4 per cent. as interest on a loan of £1,000.

Mr. DEAKIN.—That interest was being paid upon an overdraft which existed at the time of the transference, but I do not think it is being paid now.

Sir GEORGE TURNER.—The New Guinea authorities have received a distinct intimation that under no circumstances will they receive more than £20,000 a year from the Commonwealth.

Mr. MAHON.—Ordinance No. 6, of 1900, authorizes the borrowing of £3,000 for the public service, at a rate of interest not exceeding 4 per cent. It does not appear that the money has been repaid.

Sir GEORGE TURNER.—No provision for the payment of the interest is made on the Estimates, but I will make inquiries into the subject.

Mr. MAHON.—Four per cent. is a very high rate of interest now; the average rate is between $3\frac{1}{2}$ and $3\frac{3}{4}$ per cent. I should like to know if the Government have abandoned the idea of obtaining from the Imperial Government a contribution towards the maintenance of the *Merrie England*. I understand that the steamer is available, not merely for the New Guinea service, but also for the service of some of the adjacent islands.

Mr. DEAKIN.—Only in connexion with the administration of New Guinea.

Mr. MAHON.—Can it be said that the Imperial Government has given up all control of New Guinea, when at any time there may be difficulty about the adjustment of the boundaries between the British and German possessions? I think that we should have some explanation with regard to all these matters.

Mr. G. B. EDWARDS (South Sydney).—I wish to know from the Attorney-General whether federal legislation will not be necessary to provide for the administration of New Guinea by the Commonwealth. I am very pleased to notice that the sales of land there have been restricted. It seems to me that we should do well to prevent the sale of land there altogether, until we know better how the territory should be administered. I would rather see the amount now derived from land sales added to the annual subsidy than permit land speculation there.

Mr. DEAKIN.—The questions to which the honorable member for Coolgardie has called attention were considered in connexion with the annual Estimates for New Guinea. The chief source of increased Customs revenue there is a levy made upon the sticks of tobacco which are the current coin of the country, labour being paid for and goods purchased by them. It did not seem possible to materially increase the Customs receipts in any other way, because, as there are very few whites in the country, the consumption of dutiable articles is very small. The honorable member for South Sydney is right in assuming that the alienation of land, the increase of customs duties, and the relations between the Possession and the Commonwealth will have to be dealt with in the measure which the Government hope to prepare during the recess for presentation to Parliament next session. At the present time we are merely continuing the existing methods of administration, and making what economies we can. There has

ally been no demand for land in New except in such areas as have had to sed.

FUDOR.—What is meant by "Native fees, £255"?

DEAKIN.—That sum was received for the registration of agreements natives and their employers.

agreed to.

tion 14 (*Mail Service to Pacific*)—£6,000.

E. SOLOMON (Fremantle).—There have been some increase in the additional subsidy granted on condition that labour is not used in this mail

DEAKIN.—No; but a larger amount be provided for this year, because last vote was only for a portion of the

E. SOLOMON.—I understand that has been some correspondence in re the action of Messrs. Philp and Co., is said, are not complying with dition.

DEAKIN.—I have not seen it.

E. SOLOMON.—I think that the r should explain the reason for this , and why an additional subsidy of has been granted for the extension services.

SAWERS (New England).—I cannot and why the vote for a mail service to Islands should be included in the es for the Department of External

All other mail services are prior in the estimates for the Postmaster's department. It seems to me that old have an explanation of the reason e Commonwealth is to pay £6,000 a r a small mail service to the South and. In addition to the sum which eviously paid by the New South Government, there is provision made bsidy of £2,000.

DEAKIN.—The additional amount was last year for the extra service.

SAWERS.—What I desire to whether this expenditure is justifying relating to a mail service or whether be regarded simply as a bonus given ny merchants to assist them in dising their goods in the South Sea , and in that way to make a profit. men protest against everything else way of bonuses, but it seems that k the Commonwealth to assist them business undertakings. If free-trade

is a correct principle they ought to carry on their business upon commercial lines. If had an opportunity of testing the matter, I should decline to vote one shilling out of the Commonwealth funds to enable Sydney merchants to run ships to the islands for their own profit. Can this expenditure of £6,000 per annum for the conveyance of a small mail service—a mere handful of letters—to the islands be justified?

Mr. CROUCH.—Has the honorable member read the reports?

Mr. SAWERS.—No.

Sir MALCOLM McEACHARN.—He should do so, for they put a different aspect on the matter. They show that a much bigger question is involved.

Mr. SAWERS.—I believe this is a subsidy granted for the assistance of certain companies.

Mr. McDONALD.—Burns, Philp, and Company.

Mr. SAWERS.—I am not going to mention names. I do not care who the merchants are. I should like the Minister to justify this expenditure by showing the extent of the mail service.

Mr. DEAKIN.—I thought that the honorable member would have recalled sufficient of the discussion which took place upon this proposal last year to have rendered an explanation unnecessary. The payment of this subsidy was authorized by Parliament before it was made by the Government. The contrast was not entered into upon the ground that the money would be well spent for the mere carriage of letters once a month between Australia and the various groups of islands named, nor was it a proposal to give any bonus to the merchants of Australia. Although there is a certain export from Australia to these islands, an equal trade, so far as I am aware, is the return traffic in the shape of produce. The object which we had to serve was neither to facilitate the carriage of produce or the conveyance of mails, although both those considerations certainly had some weight with us in arriving at a determination. Our object was to insure a sufficient settlement in that no-man's land—the New Hebrides, in reference to which there is a joint agreement between Great Britain and France that neither power shall take over control. In the existing circumstances, the settlement of the islands was rapidly

becoming wholly French. English settlers were being starved out, but an opportunity was afforded by this means of encouraging the settlement of Australians.

Mr. SAWERS.—That is another matter. The subsidy of £3,600 has been going on for years.

Mr. DEAKIN.—We took that over. All that we are called upon to justify is the new departure made to encourage Australian settlement in the New Hebrides. Our efforts have been successful. Some 50 or 60 fresh settlers are already there, and are preparing to take over their families, while others are following. It is expected that this will be the beginning of a connexion with these various groups of islands—which, with the exception of the New Hebrides, are all under the British flag—that hereafter will be of considerable importance to the Commonwealth. We are spending this money, not for immediate, but for future results. There should be a reasonable hope that in the future these services may be made self-supporting. We cannot expect such a result for some years to come; but this subsidy, which the House in all the circumstances thought it judicious to authorize, is becoming of assistance in developing the trade both to and from the islands.

Mr. SAWERS. — Why call it a mail service?

Mr. DEAKIN.—It is because of the mixed motives which led to this service being authorized that it is not thought fair to debit the Post-office with what really is the cost of action taken by the House with regard to its future Pacific policy.

Mr. WATSON (Bland).—Since this matter was last before the committee, I have given it some consideration, and I am rather of the opinion that we made a mistake in agreeing to it. As many honorable members know we find great difficulty in obtaining the expenditure of a paltry £100 or so for the development of our internal resources, and yet we seem to undertake these external responsibilities in the free and easy manner which is involved in the presentation and passage of these Estimates through the committee. From what I can glean, I believe that there is likely to be complications with one other nation in regard to this New Hebrides business. A considerable stir is being made about the incursion of settlers from Australia, but I think it would be a good

thing if the fever-stricken islands were confined to French settlers. I do not know what degree of responsibility the Government are accepting as to the land which the settlers are taking up. I understand that there was some offer of land by Burns, Philp, and Co.

Mr. DEAKIN. — They offered it to the settlers, not to the Government.

Mr. WATSON.—It was stated at the time that the land was being offered to the Government for the use of any settlers who might care to take advantage of it. In any case it seems to me that we should pursue a wiser course if we refrained from prosecuting this enterprise beyond the Commonwealth.

Mr. THOMSON (North Sydney).—As one who knows perhaps as much about this matter as does any honorable member, I support the Government proposal. I do so for what I believe are the very best of reasons. I have no personal interest whatever in the New Hebrides. I have only that interest which all Australia, if it looks rightly at the matter, has in the nearer islands of the Pacific.

Mr. SAWERS.—Is this not a bonus?

Mr. THOMSON.—I am not speaking of what it is. I shall explain the whole position to the committee. Some honorable members may be able to recollect the occasion upon which French marines were landed on the New Hebrides. Who objected to that? Who secured the withdrawal of the marines? The people of Australia—principally the people of Victoria. And for what reason? Because they recognised the fatal carelessness which had allowed New Caledonia, which was in the commission of the first Governor of New Zealand, to pass into the hands of a foreign power with threatened dangers to Australia.

Mr. WATSON.—There is a difference between New Caledonia and the New Hebrides, and it is all in favour of New Caledonia.

Mr. THOMSON.—That may be; but it depends upon whether the honorable member is referring to the mining or agricultural wealth of those islands. In regard to agricultural wealth, the New Hebrides are far better than New Caledonia. But that is not the point. Some little time after the landing of French marines on those islands had been successfully resisted, representations were made to the people of this

who were interested in the preservation of the independence of the islands, that Australia had objected to the French action, it was doing nothing to retain which at one time belonged wholly to Australia. It was pointed out that it was nothing to maintain British settlements in the New Hebrides; that the French had colonized the French New Hebrides and to enter into trading enterprises to acquire land and to obtain settlements and that it was seeking a preponderant influence which would settle the question of those islands. Those who had taken part in the opposition to the landing of French marines were asked—"Will you do nothing to support British settlements against this competition on the part of the French Government?" The result of that appeal was that a large number of people here invested small sums in the Australian New Hebrides Company. They were told that the company was not intended to make a profit; that it was merely to protect British interests in the islands, and they knew that probably the money they put into the company would be required for some twelve years or more they entered into this struggle with the French New Hebrides Company, the French company being backed up by the secret aid of the French Government. In the face of that opposition, in spite of the sums which were spent by the British Government, they managed not to maintain but to increase British settlements in the islands, and also to induce some small extent British settlement. After it had lost £20,000 in the company found that it could no longer induce private individuals in the community to provide steamers to carry on the contest, and a provision was made to Burns, Philp, and one of whose steamers had been used previously to carry on the

MALCOLM MCEACHARN.—Was not the object the reconstruction of the com-

THOMSON.—The company was rejected, but I am referring to a period prior to the loss of the additional subsidy that was obtained. There had been a subsidy granted by the Victorian and South Wales Governments jointly. WILLIAM LYNE.—That subsidy was in existence about three years ago.

Mr. THOMSON.—Yes; I can say from my own knowledge that even with that subsidy a loss was suffered every year in the effort to maintain British influence in the group. The loss continued to such an extent that it was found impossible to go on, and an effort had to be made to get some one else to take up the service. Burns, Philp, and Co. took it up, and they also suffered a loss. I feel justified in saying that, although settlement and trade are increasing, no profit has resulted from their efforts, notwithstanding that they obtain a subsidy. I admit that as soon as the service can rest on its own bottom the subsidy should be withdrawn. But I assert that in the national interest it is very undesirable that we should allow these islands to pass over to the domination of France, and to become a greater menace than is New Caledonia to Australia. There is a better harbour in the New Hebrides than is to be found in New Caledonia, and that is one reason why the French would like to get possession of the islands, and secure a naval base which would become a source of danger to us in the future.

Mr. WATSON.—Does the honorable senator say that the results may be more serious in the New Hebrides than in New Caledonia?

Mr. THOMSON.—I say that the naval menace would be more serious if the French had predominance in both places. Ships coming from Noumea through the reef-opening could be blocked by one or two men-of-war, and the offensive armaments which could be used against the British fleet in Sandwich harbour of the New Hebrides could not be used at New Caledonia. We are entering upon our career as a United Australia, and one of our principal objects is to see that these islands shall not become the play-ground of foreign powers to a larger extent than at present, and thus allowed to introduce us to the troubles of European politics. I am satisfied that this expenditure, which, I hope, owing to increased trade, will be a decreasing one, is not only desirable, but will save a great deal of expense in the future. As to the land, it had to be acquired by the company, because the French were urging land ownership as a reason for French annexation. And I can tell honorable members the precautions that were taken in connexion with the acquisition of the land. Part of it had long been acknowledged to be in the possession

of one or two Sydney firms, who had traded with the islands for many years before there were any French or English there. The other part was acquired from the natives, but never without the presence of the missionaries and others who could speak the native language, and who could testify that it was freely offered and disposed of by the right owners. No attempt has ever been made to make money out of the land; and the present offer to the Federal Government is that a merely nominal charge shall be made. Naturally a commercial firm like Burns, Philp, and Co. look for some return from enlarging trade, but what has been desired all along is settlement by the British people, not, perhaps, in large numbers, but sufficiently large to promote British interests, and to resist the claim daily made in Paris that the French are predominant in landholding, settlement, and trade. There can be no doubt the French trade and French interests would become much larger if the subsidy were withdrawn. I never had, and have not now, any pecuniary interest in these islands, except as one of the contributors to what was merely a donation towards the maintenance of the British connexion. The only interests I have are the interests of Australia.

Mr. CROUCH (Corio).—I have read the correspondence between Burns, Philp and Co. and the Prime Minister, and I am satisfied that it was a statesmanlike act to subsidize the steam-ships. I should like to know from the Treasurer why £3,600 appears in the Estimates as transferred expenditure, while £2,400 appears as other expenditure.

Sir GEORGE TURNER.—Because £3,600 is the old liability, and £2,400 is the new expenditure incurred by the Commonwealth.

Mr. CROUCH.—If the Commonwealth is paying so large a sum as £2,400, or nearly one-half of the whole subsidy, it is only right that other ports, besides that of Sydney, should receive some consideration.

Sir WILLIAM LYNE.—But Sydney is the nearest port.

Mr. CROUCH.—No. Brisbane is the nearest port; but as the whole of the Commonwealth is paying, I think occasional trips might be paid, not only to Melbourne, but also to Adelaide and Brisbane, where there may be a desire to open up trade with the New Hebrides, and so save the cost of transshipment at Sydney.

Vote agreed to.

Division 15 (*Miscellaneous*), £500.

Mr. FOWLER (Perth).—I should like to know whether the Government regard the recent investigation into the Immigration of Italians into Western Australia as closed. Considerable dissatisfaction is felt with the imperfect nature of the inquiry which was made by the magistrate appointed for the purpose. It is rather singular that the particular mining district to which the Italians have gone in the largest numbers was carefully avoided, as it would appear, by the gentleman who made the investigation.

Mr. DEAKIN.—We have since received returns from police officers and others in regard to that district, and I think the report is now complete.

Mr. FOWLER.—I am aware that reports have been furnished, but still it is a pity that the magistrate did not visit that district. I also regret that greater powers were not conferred on the magistrate in the direction of compelling witnesses to attend in order to give evidence on oath. The inquiry has not been as thorough as it might have been, and I should like to know whether the Government consider it closed.

Mr. DEAKIN.—The inquiry is not closed against the receipt of any further information, and the intention is to use the report as the basis for the consideration of the question, in any of its phases, whenever it may arise. Under the operation of the Immigration Restriction Act we are keeping a careful catalogue of all entrances into all parts of the Commonwealth, checking and comparing them, and endeavouring to trace them when we discover any remarkable circumstances, such as the regular appearance of a number of immigrants of any particular nationality. It does not follow that because the report has been presented that the inquiry is closed; on the contrary, the report is only intended to throw light on the continuous investigation which we now make into all the arrivals into the Commonwealth.

Mr. MAHON (Coolgardie).—If the Government intend to press this investigation any further in Western Australia, I hope they will find a different commissioner than Mr. Roe. First of all, this gentleman is said to have been extremely reluctant to leave Perth, and wanted all the witnesses to attend on him in that city. As the honorable member for Perth has pointed out, he absolutely neglected to visit the Murchison

where there are, I suppose, ten in the mines for one Italian working hardie or Kalgoorlie. That is a place anywhere, he could have obtained evidence connecting the presence of with some contract or stipulation outside the Commonwealth. By this the head of the Government knows appointment of Mr. Roe was not which would have been recommended representatives of Western Australia. inquiry conducted as this has been effective. In order to obtain the required it is necessary to have a more of a detective than a police te, because it is impossible to induce to come into open court and admit contracts exist. In such a case must be indirect instead of direct. OWLER. — According to the report, has been admitted in at least one

MAHON. — I was not aware of that. at the sum of £500 is provided for uses of these investigations. The ay, in answer to a question, I was t the cost of the reports of Mr. Dashwood and Mr. Warton into l-fishing industry did not exceed Does the Acting Prime Minister that £300 more was expended by e in his investigation in Western a?

DEAKIN. — No; nothing like it. I like to trust my memory, but I be at the cost of the inquiry by Mr. ot more than £50.

MAHON. — Then what is the object ng this sum of £500 on the Esti-

DEAKIN. — We have to cover the cost ng the report and other expenses.

MAHON. — Do I understand that t cost of Mr. Justice Dashwood's as only £155, including shorthand and other contingencies?

DEAKIN. — That is all that was paid Justice Dashwood for everything.

MAHON. — Did that also pay for Justice Dashwood's conveyance to y Island?

DEAKIN. — Speaking from memory, I did.

MAHON. — Then I think the work e at a remarkably cheap rate.

DEAKIN. — The cost was very reason- both cases.

Mr. MAHON. — But there is no reason why Mr. Warton's report should cost so much, since he was on the spot.

Mr. DEAKIN. — He had travelling expenses, and he had to get assistance for taking down the evidence. The honorable member may see the items if he wishes.

Mr. MAHON. — But there is no evidence in Mr. Warton's report.

Mr. DEAKIN. — Mr. Warton took a certain amount of evidence.

Mr. MAHON. — But Mr. Warton, as a Police Magistrate, was surely capable of taking down the evidence.

Mr. DEAKIN. — I am only speaking from memory, and the cost may not have been so much.

Mr. MAHON. — I understand that the House will not have an opportunity this session to discuss the reports on the pearl-fishing industry.

Mr. DEAKIN. — There may be an opportunity when we are waiting for the return of the Appropriation Bill from another place.

Mr. MAHON. — Possibly I ought not to inquire whether the Government intend to act on the recommendations in these reports.

Mr. DEAKIN. — The Government have not had time to consider the question yet.

Mr. MAHON. — In the meantime, is it not desirable that we should have a little more information about the pearl-shelling question?

Mr. DEAKIN. — The Government are still collecting information, and within the last fortnight I have had an opportunity of seeing three persons who have a knowledge of the industry.

Mr. MAHON. — In my opinion, the public would have much more confidence in an inquiry made by a select committee of this House, than in an inquiry by persons who may or may not be indirectly interested in the maintenance of the industry.

Mr. DEAKIN. — Two of the gentlemen whom I saw are engaged in the industry, and the other is interested on the opposite side.

Mr. MAHON. — That is just the trouble; it is very difficult to arrive at the truth when one side is extreme against the industry, and the other side is interested in its maintenance. Before we pass regulations, which may in one case mean the extinction of the whole township of Broome, we ought to be perfectly certain of our course. I have no information at

first hand, but from what I have heard, the condition of affairs at Thursday Island and the condition of affairs at Broome are not on all fours. The regulations which might work smoothly in one case might work harshly in the other. That is a reason the Government might be well advised to have an investigation made of this matter by members of Parliament during the recess.

Mr. WATSON (Bland).—I think that the suggestion of the honorable member for Coolgardie is a good one, because it must be apparent to any one who has looked into the report of Judge Dashwood, that it is not worth the paper on which it is written. I trust that the Government will hesitate before departing from the policy already declared by the Commonwealth, in consequence of anything that appears in a report of that character. I do not wish at this stage to go into the matter in detail, but I will point to one thing in that report which condemns it out of hand. Judge Dashwood says in one paragraph that he has not been able to get any idea of the profits of the pearl-shelling industry—that if he had the account sales in respect of the shell that was sold he might be able to arrive at the profits, but that from the people whom he examined—those interested in the industry—he could get no particulars as to the profits they made. Yet a few paragraphs lower down he states that it is impossible to carry on the industry profitably and employ white crews. How was he able to form an idea as to whether the industry could be carried on by white men unless he knew what the profits were? Previously he had said that he had no idea as to the profits, and could get no particulars in regard to them. Yet he presumes to express an opinion as to the possibility of employing white labour profitably. The whole report is vitiated, it seems to me, by an admission of that sort. I trust, therefore, that the Government will take some other steps before they abrogate the provisions of the Immigration Restriction Act as applied either to Broome or Thursday Island.

Mr. DEAKIN.—There is no intention on the part of the Government to abrogate the provisions of the Immigration Restriction Act in any way. All that it is intended to do, as I have explained to honorable members before, is to endeavour to preserve the existing situation until the Government can lay before the House some

proposals in regard to it. In the meantime we allow ships to replace those of their crews that are going away and new luggers to be manned, but we do not permit the settlement of any class of coloured labour in Australia.

Mr. R. EDWARDS (Oxley).—I wish to ask a question with regard to the item of £500 for the "expenses of investigation in respect to the Immigration Restriction Act." I notice in Division 11, sub-division 2, that there are two sums of £400 and £500 for a similar purpose.

Mr. DEAKIN.—This sum is for the special investigation of Judge Dashwood and Mr. Warton.

Mr. R. EDWARDS.—Does this sum cover the printing of the reports?

Mr. DEAKIN.—Yes; it will cover that.

Mr. R. EDWARDS.—And the allowances to both gentlemen?

Mr. DEAKIN.—Yes; it will cover the whole thing.

Vote agreed to.

ATTORNEY-GENERAL'S DEPARTMENT.

Division 16 (*Secretary's office*)—£2,655.

Mr. WATSON (Bland).—I move—

That the item, "Secretary and Parliamentary Draftsman, £800," be reduced by £50.

Honorable members will see from the schedule of Estimates laid before them that the sum of £50, which last year was voted as an allowance to the parliamentary draftsman on account of extra duties discharged by him, is this year added to the permanent salary of that officer.

Mr. DEAKIN.—The committee asked that that should be done last year.

Mr. WATSON.—I for one objected to it. The allowance last year, as I understand it, was given because this gentleman had been put to a great deal of trouble owing to the length of the session and the pressure of parliamentary drafting. In consequence of the large number of Bills that were introduced, it was said that he had had to do a great deal of extra work. I must say, however, that, judging from the expert opinions given by members of the Commonwealth Parliament qualified to express an opinion upon the drafting, it has not been such as to reflect any wonderful credit upon the person intrusted with it.

Mr. L. E. GROOM.—Yes; on the whole it has been very good.

WATSON.—I have heard a considerable number of complaints by some of the members as to the drafting of the honorable member for East Devon yesterday referred to the drafting of the Inter-State Commission Bill. This is the work for which the Secretary to the Attorney-General's department is responsible, though whether he did it or not I do not know. I am for a moment saying that he is capable of good draftsmanship. I have other reasons to believe the contrary. But the best Act we have put before Parliament, so far as mere draftsmanship is concerned—and this has been pointed out by some very high authorities—one with which this officer had nothing whatever to do. I refer to the Factories Act. However, I do not express a particular opinion on that point. The mistake is that there is no possible justification for giving a higher salary to the Secretary to the Attorney-General's department than for increasing the salaries of the secretaries of the various other departments. The strength of the argument is all the other way. Allowing that there is no Secretary to the Attorney-General's department, a gentleman who has professional experience, as well as other qualities, will still remember that the number of officers over whom he has to exercise control is small; and even when you add to the work the matter of parliamentary business there is no reason for giving a higher salary for it, because in many cases you get some one else to do the actual drafting. There is, therefore, a wide distinction between the position of this officer and that of the Secretary to the department of Home Affairs or that of the Secretary to the department of Defence.

MR. DEAKIN.—We pay the Secretary for the department of Home Affairs £900 a year.

MR. WATSON.—That is because we do not pay him less. He was taken over from the department of Home Affairs, and the Secretary for Defence told the House that he would not transfer this officer at a lower salary than he was formerly receiving. But the Secretary to the department of Home Affairs, we have an officer who has to deal with an expenditure of about £100,000 a year, who has an enormous staff of officers scattered throughout the country, and has a large and growing work to control. Yet he has to be

satisfied with a salary of £750 per annum. I do not wish for a moment to increase that salary, but I think the same amount is quite enough for an officer who has a very small department to control, involving a total expenditure of only some £2,600.

MR. DEAKIN.—Does the honorable member think this department can be measured by its expenditure?

MR. WATSON.—I have just said that the department is not to be measured alone by that consideration, but that is one of the features which has to be remembered. We have to contrast the duties of this officer with those of the head of a department which has a number of sub-branches and an enormous number of officers over whom control has to be exercised.

MR. DEAKIN.—The honorable member forgets that the secretary to my department advises every other department of the States, and touches the whole of the other expenditure.

MR. WATSON.—I thought the Attorney-General was supposed to do all that.

MR. DEAKIN.—He is the Attorney-General's chief officer.

MR. WATSON.—That is an argument for doing away with the office of the Attorney-General altogether, and saving £2,000 a year.

MR. DEAKIN.—I said that this officer was the Attorney-General's chief officer.

MR. WATSON.—Are we to pay several other officers to do the work? Admitting that the Secretary to the Attorney-General's department occupies a responsible position, I say, nevertheless, that his work is not so responsible and does not involve so much work, care, and anxious consideration as do the duties of the secretaries of some of the other departments.

MR. DEAKIN.—I take the liberty of differing from the honorable member entirely.

MR. WATSON.—I suppose there is nothing like leather, and I can quite understand the magnifying effect of the glasses through which the honorable and learned gentleman looks at anything connected with the law. But, in my opinion, judging not only from the affairs of the Commonwealth, but from those of the other States as well; and comparing the Law department with the department of Home Affairs and the department of Defence and especially with the Customs department—I say that the

duties of the permanent heads of those departments involve responsibilities which justify their receiving at least as much, or even more, than the Secretary to the Attorney-General.

Mr. DEAKIN.—I do not find fault with the honorable member on account of his criticism, though he has quite misunderstood my interjection. But I do regret that his knowledge of the importance of this office has misled him into an entire misconception of the situation. First of all, the Secretary to the Attorney-General is not a mere secretary of the department. As secretary of the department, of course, it is quite fair to measure him by its expenditure and by the branches over which he has to preside. But this officer is chiefly, and practically, for the greater part of his time, the parliamentary draftsman, the Crown Solicitor, and the assistant to the Attorney-General in all the functions pertaining to his work.

Mr. WATSON.—The parliamentary drafting work will not again be as heavy as it has been this session.

Mr. DEAKIN.—That is his chief work, and he receives for that practically the salary which is set down here. But because the department is so small it would be absurd at present to have a clerical staff in addition to the professional staff. At present we have two professional men only, the chief of whom also discharges the duties of head of the department. But really the work which he does, and for which he is paid, is that of parliamentary draftsman and drafter of opinions. In Victoria, the State pays its parliamentary draftsman £1,200 per annum, and does not think he is overpaid. You cannot have a man of standing in his profession engaged to undertake this work at a salary less than is here set down. I undertake to say that this amount compares favorably, so far as its smallness is concerned, with the salary paid by any State in the Union. The work this officer is doing here is done by more than one officer in New South Wales.

Mr. WATSON.—The parliamentary draftsman gets £750 per annum there.

Mr. DEAKIN.—But this officer is not only our parliamentary draftsman. What honorable members are overlooking is the fact that in New South Wales and elsewhere there is a salary for a Parliamentary Draftsman, and another salary of £1,000 a year for a Crown Solicitor,

while this officer is our Parliamentary Draftsman and Crown Solicitor. We in the Commonwealth, with this professional staff of two men, and counting myself three, are doing work which in the States is divided between several sub-departments.

Mr. WATSON.—And we are paying the Crown Solicitor in New South Wales at the rate of £1,000 a year in fees.

Mr. DEAKIN.—No. We have as yet paid only £167.

Mr. WATSON.—I saw an official statement to the effect that he was being paid at the rate of £1,000 a year.

Mr. DEAKIN.—That is an estimate made in the New South Wales office, because there they do for us all the work of an ordinary solicitor's office for Sydney and for the State of New South Wales, and we pay them in respect of that. But, happily, we have been, so far, fortunate that in nearly every case we have conducted we have obtained costs.

Mr. WATSON.—Because actions could not be brought against the Commonwealth.

Mr. DEAKIN.—I am speaking of cases in which we have prosecuted, and we have been so successful in obtaining costs and damages, that, as a matter of fact, even if we did spend the amount stated, we should have the great bulk of it returned. This officer is doing work which in the States is done by several officers, and he is working under circumstances under which no State officer has ever had to work. I can appeal, not only to members of the profession, but to any one who has had experience of a Crown Law office to admit, that at the commencement of this Commonwealth, we have had entirely novel work, the determination of the difficulties consequent upon the introduction of this entirely new Constitution and the imposition of this system upon six other systems, the consideration of laws of each of the States under which we are still working in some of the departments, and the various other questions arising out of the administration of all these laws have been submitted to us to deal with. I can say without reflection upon any professional man in the service of the States that there is not one who has had the burden of the responsibility we have had to share during the last two years. We must have it until the legal position of the Commonwealth is settled, and at the present time it is far from being settled.

WATSON.—The officer is well paid at

DEAKIN.—Not as a professional man. WATSON.—What professional standard is a little time ago?

DEAKIN.—His professional standard in New South Wales was excellent.

WILKS.—We never heard of him in the States.

DEAKIN.—I am sorry to hear that an honorable member has had so little acquaintance with either legal literature or law in New South Wales.

WILKS.—We knew that he was connected with the federal movement, and that

DEAKIN.—The honorable member knows his gentleman's standard work upon any subject, which is on the table of discussion, and he should know that members of the Federal Convention admitted themselves under great obligations to him for his unwearied researches and great knowledge of the subject.

HENRY WILLIS.—Are we to pay for the work?

DEAKIN.—This vote is proposed, because of any special work done in the special year, but because I venture to think, as every one will who is at all acquainted with the nature of the work, that £800 a year is a small amount for a man who undertakes the responsibility necessarily devolving upon the Law Officer of the Commonwealth. If we are to determine a salary by the work done, the salary here proposed is considerably under the mark. If honorable members are of opinion that the Commonwealth should take advantage of the experience and knowledge of its employees, they should not remunerate them for it, but I consent to cut down this salary.

I am sure to say that no officer in the department works longer hours. He has not attended during the usual office hours, but must be in attendance in this House whenever measures are before us in connexion with which his presence may be required. In addition to this, we are associated in the discussion of the opinions upon which the other department of the Commonwealth is now acting in every one of its measures.

L. E. GROOM.—He must work beyond his office hours.

DEAKIN.—He does, habitually. Honorable members will find Mr. Garran

and myself at the office at half-past five or six o'clock on many evenings for an hour to an hour and a half after everybody else has left the building, not from choice, but because of the work which has to be done. Any one who considers the importance, as well as its quantity, will agree that this is not an over-payment. I am at a disadvantage in appealing to honorable members who have not themselves been engaged in this responsible task of advising every department of the Commonwealth since every department of the Commonwealth continues to appeal to us upon all the questions relating to the Constitution.

Mr. WATSON.—That is what he is there for.

Mr. DEAKIN.—Exactly; but when the honorable member speaks of the work, my regret is that I cannot oblige him by some penal requirement to spend a week there in order that he might be able to estimate its importance.

Mr. WATSON.—I am making a comparison with the work done by the heads of other departments.

Mr. DEAKIN.—I am willing to compare the work done by Mr. Garran, either as to its importance or to the length of time which its performance occupies, with the work done by the head of any other department. As an advocate of economy, I am not an advocate of high salaries; but I venture to say that a salary of £800 a year for the work performed by the permanent legal officer of the Commonwealth is much below the value set upon such work in any of the States, or anywhere else.

Mr. SALMON (Laanecoorie).—Before a vote is taken upon this question I think it is right that honorable members should realize exactly what this officer has to do. The honorable member for Bland, I am sure, recognises that an officer should be paid not according to the size or importance of the department with which he is connected, but strictly according to the work which he has to perform. The Attorney-General has pointed out that in Victoria there is a parliamentary draftsman who is paid at the rate of £1,200 a year.

Mr. FOWLER.—They are rather luxurious in Victoria; we cannot follow that example.

Mr. SALMON.—I am not asking honorable members to follow that example, but I say that when a State finds it necessary to

pay a professional man such a salary for doing only one part of the work which is undertaken by this officer, the circumstance is worthy of attention. I know something of the two-fold duties which this officer has to perform.

Mr. WATSON.—Does the honorable member know as much of the work which the under-secretaries of other departments have to perform?

Mr. SALMON.—I know a good deal of it, and I believe that the majority of them are overpaid. I am prepared when the time comes to take action in regard to them, because I desire to see salaries placed upon something like a basis which we can afford. But that basis must have a strict relation to the work performed, and in my opinion the work performed by this officer is of a twofold character, and is well worthy of the salary which he is paid.

Mr. WILKS (Dalley).—Honorable members who have had any experience in dealing with Estimates must be aware that each Minister holds the genius of Australia in the person of his under-secretary. This apparently applies in dealing with the Commonwealth Estimates as it has applied in connexion with Estimates we have dealt with in the past in the State Parliaments. We know that every Minister protests that his under-secretary is the ablest man who can be got, that he is underpaid, and that he is making a sacrifice for his country. If I desired an additional reason for voting for the amendment proposed by the honorable member for Bland, I should find it in the great length to which the Attorney-General felt himself obliged to go in defending this officer. The honorable gentleman introduced the personal question, which I object to at any time in discussing Estimates. This officer was last year paid at the rate of £750 per annum, and was given an allowance of £50 for extra duties. Surely those duties have not still to be performed.

Mr. DEAKIN.—Yes; they go on continuously. They include his attendance upon Parliament. I explained that last year.

Mr. WILKS.—If we look to the near future, Parliament will be in recess, and this hard-worked officer will be relieved of his attendance upon Parliament for six or seven months. I think that a salary of £750 is quite enough for him. As to the comparison with State officers, it must be

remembered that the States Governments have control of a greater number of departments, and the States' officers have more work to perform. Though this gentleman in New South Wales was well known in connexion with the federal movement, the only office which he filled there was that of secretary to his father, and for that he received £250 per annum.

Mr. DEAKIN.—In addition to his private practice.

Mr. WILKS.—That may be, but I agree with the honorable member for Bland that he will be well paid at a salary of £750 per annum.

Question.—That the item, "Secretary, and Parliamentary Draftsman, £800," be reduced by £50—put. The committee divided.

Ayes	15
Noes	16

Majority...	1
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AYES.	
Bamford, F. W.	Solomon, E.
Brown, T.	Tudor, F.
Edwards, G. B.	Watkins, D.
Fowler, J. M.	Watson, J. C.
Mahon, H.	Willis, H.
Page, J.	<i>Tellers.</i>
Paterson, A.	Cook, J.
Smith, S.	Wilks, W. H.
NOES.	
Chanter, J. M.	Salmon, C. C.
Clarke, F.	Sawers, W. B. S. C.
Deakin, A.	Skene, T.
Edwards, R.	Turner, Sir G.
Fysh, Sir P. O.	Wilkinson, J.
Groom, L. E.	<i>Tellers.</i>
Kingston, C. C.	Cook, J. H.
Mauger, S.	Crouch, R. A.
McEacharn, Sir M.	

Question so resolved in the negative.

Mr. WATSON (Bland).—Why was not the Chairman in the Chair? Was it because the Government was in trouble?

Mr. DEAKIN.—No; because the Speaker had gone.

Mr. WATSON.—The Chairman has always taken the Chair previously in divisions. I think that we ought to have an explanation as to the practice when the Chair is filled by a temporary Chairman. Hitherto the practice has been for the Chairman of Committees to resume the Chair as soon as a division has been called for.

The ACTING CHAIRMAN.—The honorable member is out of order in discussing the action of the Chairman.

Mr. WATSON.—In view of the peculiar circumstances, the committee ought to be

another opportunity of considering it, because it was not proper for the Chairman to act in that way. I propose to move that the item be reduced by

DEAKIN.—Do it when there is a quorum.

WATSON.—Is the honorable member going to adjourn now?

DEAKIN.—When we finish with the business of this department, we are going to adjourn.

WATSON.—But I wish to get at the bottom of the matter before we go any further.

DEAKIN.—The honorable member can make a reduction in the item on the report.

WATSON.—I shall take another opportunity to move a reduction.

Agreed to.

Business reported.

SPECIAL ADJOURNMENT.

Adjournment (by Mr. DEAKIN) proposed—

That the House at its rising adjourn until the next day.

MCDONALD (Kennedy).—I should like to know when we are going to try to get the work of this session. I understand that we are agreeing to an adjournment this afternoon. The honorable members are prepared to adjourn next Tuesday afternoon, and then to sit daily from 10 o'clock in the morning until the business is disposed of.

DEAKIN (Ballarat — Attorney-General).—It is on an understanding we have obtained from the leader of the Opposition that he will lend us every assistance in the work next week, that we have decided on this adjournment.

Decision resolved in the affirmative.

House adjourned at 4.37 p.m.

House of Representatives.

Tuesday, 30 September, 1902.

SPEAKER took the chair at 2.30 p.m., and prayers.

PAPER.

DEAKIN laid upon the table—

Correspondence between the South Australian and Commonwealth Governments in reference to the arrest of the crew of the Dutch vessel

SOUTH AFRICAN LABOUR MARKET.

Mr. KIRWAN.—Some weeks ago I asked the Acting Prime Minister if he would make inquiries as to the state of labour in South Africa, so that Australians might not go there under a misapprehension. Have such inquiries been made, and, if so, will the honorable gentleman kindly communicate to the House the nature of the replies which have been received?

Mr. DEAKIN.—I have made some inquiries, but should have liked to secure completeness before presenting the information received to the House. As the honorable member told me of his intention to ask the question to-day, I will give him a condensation of the information now at my disposal. It has been derived from official and semi-official sources in South Africa, and from South African, English, and other newspapers. The official statement is that there is no demand for persons seeking clerical or professional employment, or positions in the military, police, or constabulary. Men who enlist in the military in South Africa do so at Imperial rates of pay, and there is an overabundance of local applicants for positions in the police and constabulary. There is a slight difference of opinion as to the prospects of unskilled labour, because of a proposal, which is in the experimental stage, to substitute white unskilled labour for native labour in the mines. The terms now offered are, I understand, 5s. a day, with what are termed "quarters" in some instances, and "food and lodging" in others. The semi-official report on this head is that the outlook is unpromising, because an endeavour is afoot to obtain the services of 200,000 natives, who, it is expected, can be recruited at the rate of about 10,000 a month. If enough of them can be obtained, the unskilled white labour sought to be employed in the mines, and practically the whole of the unskilled white labour in the country, will be unprovided for. No land is at present available for farmers or graziers. It will be some time before the Crown land, or land under the control of the Crown, will be fit for settlement, and in other parts the land is awaiting subdivision. Skilled labour, according to official information, is in good demand, and from semi-official sources I learn that men of character and

ability have excellent prospects, because wages are high, though the cost of living is high too, being twice as great as in Australia. Independent testimony from other sources, however, is to the effect that all the skilled labour likely to be required until the anticipated revival of prosperity occurs is already in the country. From 12,000 to 15,000 people are now in the coastal ports, awaiting permission to proceed inland. The permits issued by the Commonwealth at the request of the Imperial Government, although authorizing the landing of the holders in South Africa, do not give permission to proceed inland; consequently, the coastal towns are congested. With regard to permits to proceed inland, preference is given first to old residents of the country, whether belonging to the population lately in arms or to the loyalists, and, secondly, to those who have seen military service under the British flag; so that new-comers have to take third place. Hundreds of Australians have been waiting for weeks, and some even for months, for permission to seek employment inland. That is the gist of the information which I have received to date. I am still endeavouring to obtain an accurate estimate of the opportunities, if any, for Australians in South Africa. My present opinion is that there are none.

COMMONWEALTH AND STATES FINANCES.

Sir LANGDON BONYTHON.—Has the Treasurer read the statement of the Treasurer of South Australia as to the effect of the federal finances upon those of South Australia, and, if so, is he prepared to make an explanation upon the subject?

Sir GEORGE TURNER.—I have not yet had an opportunity to carefully consider the statement of the Treasurer of South Australia, but I shall be prepared to give my honorable friend an answer on Thursday, on the lines of the answer to a similar question on the notice-paper to-day. I might, however, point out that the Treasurer of South Australia has left out of consideration the fact that the Commonwealth propose to spend £20,000 on new works and buildings this year, which in previous years has been charged to loan account.

MILITARY COMPENSATION.

Mr. COUCH.—Will the Acting Minister for Defence, before we proceed to deal with the Defence Estimates, cause a return to be laid upon the table, showing the names of those who are receiving compensation, the States from which they came, the length of their service, and the amounts paid?

Sir WILLIAM LYNE.—As I hope that the Defence Estimates will be dealt with to-morrow, this is rather short notice; but I shall be very glad to furnish honorable members with all the information I can obtain.

COMMONWEALTH OFFICES, SYDNEY.

Mr. MAUGER.—Has the attention of the Minister for Home Affairs been directed to a paragraph in to-day's newspaper, in which it is stated that he intends to have a very expensive mantelpiece and other costly furniture placed in the Commonwealth offices in Sydney?

Sir WILLIAM LYNE.—I noticed a statement in one of the newspapers to-day that a mantelpiece to cost £100 was to be placed in the Commonwealth offices in Sydney; but there is not a scintilla of truth in it, and no foundation for it. When I spoke to my Under-Secretary on the subject this morning, the only thing that he could imagine had suggested it was a reply which I caused to be sent to a request from certain persons connected with a marble quarry on the Macleay that their marble should be used in any works in which marble was required by the Commonwealth. That reply was as follows:—

I have the honour, by direction of the Minister for Home Affairs, to acknowledge receipt of your communication of the 19th ultimo, relative to marble which you have recently quarried from the Kempsey district, Macleay River, and to inform you that if any is required, and it is good and cheap, the Government of the Commonwealth will be pleased to see Australian products in competition with imported material.

I cannot but think that the person who wrote the paragraph referred to, either deliberately wrote what he knew to be untrue, or did not exercise the discretion which one in his position should have exercised.

SUPPLY BILL (No. 12).

Royal Assent reported.

SOUTH AUSTRALIAN DRILL INSTRUCTORS.

BATCHELOR.—Have the Government yet come to a decision in regard to the retention of the military drill instructors in Australia?

WILLIAM LYNE.—I have asked for definite information regarding the work of these instructors are called upon to do, and I find that they have a great deal to do, because, not only are they engaged in giving instruction, but a great deal of their time is occupied in keeping records, and in the performance of other duties.

No final decision, however, has yet been arrived at in regard to their retention in South Australia. I saw it stated in a newspaper paragraph that the General Officer Commanding has said that they ought not to be withdrawn. That statement can only be taken to mean that the Government is not concerned does not recommend their withdrawal. No decision has yet been arrived at on the subject.

BATCHELOR.—The honorable gentleman is still Acting Minister for Defence?

WILLIAM LYNE.—Yes, and I shall show in this, as in other matters, that I have full control over everything connected with the department, and intend to maintain it.

PACIFIC ISLANDS LABOURERS ACT.

PAGE.—I desire to ask the Acting Minister whether he or the Prime Minister, when they visited Queensland during the federal campaign, entered into any compact with the Premier of Queensland in regard particularly to legislation regarding the kanaka question?

DEAKIN.—No reference was made regarding the kanaka question by either Mr. Philp, or by any one else, when I was in Brisbane, or after that date. No communication was made on the subject to the Prime Minister so far as I am aware; if there had been, I should have known it. No secret compact was entered into between the members of the Federal Government and the Premier of Queensland upon any matter, and no promises or pledges were made either by the Prime Minister or myself during our visit to Queensland as private individuals or afterwards, when Sir Edmund Barton visited that State as the leader of the Government, except those uttered on

the public platform and reported in the public press.

DEFENCE RETRENCHMENT.

Mr. JOSEPH COOK.—The Acting Minister for Defence promised that before the Defence Estimates were considered, he would lay upon the table details of the Defence retrenchment scheme. I now desire to know whether this information is available, and if not, whether the Minister will furnish the House with the necessary details before we are required to consider the Defence Estimates?

Sir WILLIAM LYNE.—I do not remember having promised that I would submit the details of the Defence retrenchment scheme, before the Defence Estimates were under consideration. I said that I would furnish honorable members with the fullest information when the Defence Estimates were before them. That is my intention, and I think that the information which I shall supply will be fuller than some honorable members may wish.

EXPENDITURE UPON TRANSFERRED DEPARTMENTS.

Mr. L. E. GROOM asked the Treasurer, upon notice—

1. Has his attention been drawn to the following telegram which appeared in the *Argus* of 25th inst.:—"With reference to the Federal Budget, the Premier of Queensland states that there has been a large amount of unnecessary expenditure in connexion with the transferred departments. The increased expenditure in Queensland alone was for the year ended June—Post and Telegraph, £38,700; Defence, £59,085; Customs and Excise, £3,937, or nearly £102,000. The Government was in the dark as to how this increased expenditure had been incurred, as the information asked for on the matter had not been supplied?"

2. Are the statements made with respect to the increase of expenditure in the transferred departments and the failure to supply the information asked for correct?

Sir GEORGE TURNER.—With regard to the latter part of question 1, which states that the Queensland Government were in the dark as to how the increased expenditure had been incurred, as the information asked for had not been supplied, I have made the fullest inquiries in my department, and I find that no information which has been asked for has been withheld. In addition to that, for the very purpose of enabling all the States Governments to obtain the fullest possible information

ability have excellent prospects, because wages are high, though the cost of living is high too, being twice as great as in Australia. Independent testimony from other sources, however, is to the effect that all the skilled labour likely to be required until the anticipated revival of prosperity occurs is already in the country. From 12,000 to 15,000 people are now in the coastal ports, awaiting permission to proceed inland. The permits issued by the Commonwealth at the request of the Imperial Government, although authorizing the landing of the holders in South Africa, do not give permission to proceed inland; consequently, the coastal towns are congested. With regard to permits to proceed inland, preference is given first to old residents of the country, whether belonging to the population lately in arms or to the loyalists, and, secondly, to those who have seen military service under the British flag; so that new-comers have to take third place. Hundreds of Australians have been waiting for weeks, and some even for months, for permission to seek employment inland. That is the gist of the information which I have received to date. I am still endeavouring to obtain an accurate estimate of the opportunities, if any, for Australians in South Africa. My present opinion is that there are none.

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SUPPLY BILL (No. 12).

Royal Assent reported.

propose to send this statement to the Auditor of Queensland in order that he may check it and see in what respect it differs from his own figures. In order to be absolutely fair it is necessary to say that the expenditure for 1900-1 included £7,663 for additions, new works, and buildings, but owing to the Estimates being passed late in the year, we spent under this heading in 1901-2 only the amount of £1,022. There was, therefore, an excess of expenditure in the previous year of upwards of £6,000 upon new works and buildings. Against this, however, the amount for 1901-2 is taken from the Treasury figures, which are £8,000 more than the expenditure shown by the Post-office department, and this is probably accounted for by the fact that some of the arrears of 1900-1 debited in the Treasury books to the account of 1901-2, in consequence of arrears and expenditure being included in one account. If this be so, the amount should be deducted from the expenditure of 1901-2 and added to that of 1900-1. If we add £8,000 to the expenditure of 1900-1, the total would be £614,958, and the total for 1901-2 would be reduced to £604,243. I have taken the Treasury figures as the least favorable to 1901-2. In view of this, therefore, it would appear that the expenditure in Queensland in connection with transferred departments is greater, but probably a little less, than the Commonwealth assumed control.

The difference in the figures I have given and in those used by the Premier of Queensland arises from the fact having been overlooked that we had to provide in 1901-2 an immense amount of arrears which properly belong to the previous year. This was one of the consequences of adopting the new practice of closing down on the 30th of June instead of following the plan previously pursued in Queensland of waiting for three months later and debiting the expenditure to the previous year. With the permission of the House I should like to give some particulars of a similar character with regard to the State of Tasmania. So far as Victoria is concerned, I made a statement in the course of my Budget speech, and I gave the fullest details in order that the State Treasurer might check my figures if he thought fit. In New South Wales the same difficulty arose, but the State Treasurer sent me his calculations, and I was able to show him where he was wrong. In his Budget speech he made these remarks—

I may also add that from my observations I have every reason to believe that the transferred departments are as well and as economically managed by the Federal Government as ever they were by this State.

The following table gives approximate particulars of the expenditure of the transferred departments in Tasmania during several years :—

STATEMENT COMPARING THE EXPENDITURE OF TRANSFERRED DEPARTMENTS IN TASMANIA DURING SEVERAL YEARS.

(Figures are approximate.)

	Customs.	Defence.	Post Office.	Total
	£	£	£	£
1895—not including printing, repairs, &c., which in following year amounted to £2,203: Figures supplied by State Treasurer	6,814	8,577	61,072†	77,363
1896—Figures supplied by State Treasurer	7,139	8,880	63,332†	79,351
1899-1900—Figures supplied by State Treasurer	9,547	16,241	83,077†	108,865
1900-1901—As per Statement attached	10,023	25,919	96,248†	132,190
1901-2—As per Statement attached	10,402	22,840	100,892	134,134*
1902-3 Estimated, as per page 49 of Budget Papers of 23rd September, 1902, excluding Arrears, Defence Compensation (£1 198), and New Works and Buildings previously charged to Loan (£11,245)	10,401	24,185	100,507	141,153*

* Includes Audit Office, which is not included in previous years.

† Probably includes expense of Savings Bank, which would be small.

NOTE.—The Expenditure authorized by State Appropriation Act for the year 1901 was—Customs, £9,701; Defence, £25,866; Post Office, £97,414; Total, £132,981. These figures do not include Audit Office, Printing, and Repairs, amounting to probably £2,500, but do include £2,000 for Cable.

as to the receipts and expenditure, I have employed three of the principal officers in each of the State Treasuries as my officers, instead of taking the whole of the Commonwealth Treasury work out of the State departments, as I might have done. From these officers the States Treasurers can derive all the information available, and, further, the officials in the transferred departments have instructions that every information desired by the States Treasurers is to be afforded them, even before it is sent on to me. The Premier of South Australia, in his Budget statement, made a complaint similar to that preferred by the Premier of Queensland. I wrote to Mr. Jenkins, and asked him what information had been denied to him, and he said that all he had asked for had been supplied except the estimates of receipts and expenditure for this year. Honorable members will understand that it would have been impossible to allow the officers to give details of the Estimates for this year until they had been dealt with by the Commonwealth Administration and by the Federal Treasurer, who naturally alter them as they may think necessary to suit financial

requirements. With this exception, however, the fullest information afforded to the States Treasurers, not only by the returns sent to them every month, and by the quarterly statements showing the detailed receipts and expenditure, but by the officers of the various departments, who have placed every possible detail at their disposal. With regard to the statements which are being made as to the federal expenditure, and which are no doubt considerably injuring the Federation in some of the States, I will not say that they are made deliberately, but that they are uttered without proper inquiry in the States departments or at the Federal Treasury, where the fullest information is available. The cost of the whole of the transferred departments in Queensland in the year 1900-1 was £606,958, made up of £63,568 upon Customs, £156,796 upon Defence, and £386,594 upon the Post-office. Last year the expenditure upon Customs was £62,039, upon the Defence £145,314, and upon the Post-office £404,890; making a total of £612,243, or an increase of £5,285. The tabulated statement is as follows :—

COMPARISON OF COST OF "TRANSFERRED" DEPARTMENTS IN QUEENSLAND IN THE YEARS 1900-1 AND 1901-2.

(Figures are approximate.)

	Customs.	Defence.	Post Office.	Total
	£	£	£	£
1900-1.				
Expenditure out of State Votes as stated by Treasurer of Queensland	33,512	80,792	256,966	
Deduct Expenditure in 1900-1 on account of previous Years as stated by Treasurer of Queensland	1,896	15,134	24,271	
•	31,616	65,658	232,695	
Printing, Advertising, and Bookbinding, as stated by Departments (approximate)	743*	92	6,637†	
Expenditure by Commonwealth in 1900-1	27,944	49,667	129,388	
Expenditure in 1901-2 on account of 1900-1	3,265	41,379	17,874	
	63,568	156,796	386,594	606,958
1901-2.				
Expenditure in 1901-2	60,775	141,427	396,500‡	
Outstanding Liabilities on 30th June, 1902 (see Arrears Estimates)	1,264	3,887	8,390	
	62,039	145,314	404,890	612,243

* May include an amount for period 1.3.1901 to 30.6.1901, which is also included in the following amount (£27,944).

† May include an amount for period 1.3.1901 to 30.6.1901, which is also included in following amount (£129,388).

‡ Does not include pensions.

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ose to send this statement to the
er of Queensland in order that he
eck it and see in what respect it
from his own figures. In order to
lutely fair it is necessary to say that
penditure for 1900-1 included £7,663
ditions, new works, and buildings,
owing to the Estimates being passed
the year, we spent under this head
1901-2 only the amount of £1,022.
was, therefore, an excess of expendi-
the previous year of upwards of
upon new works and buildings.
t this, however, the amount for
is taken from the Treasury figures,
are £8,000 more than the expendi-
own by the Post-office department,
is probably accounted for by the
at some of the arrears of 1900-1
bited in the Treasury books to the
01-2, in consequence of arrears and
expenditure being included in one

If this be so, the amount should
acted from the expenditure of 1901-2
ded to that of 1900-1. If we add
000 to the expenditure of 1900-1,
al would be £614,958, and the total
1-2 would be reduced to £604,243.
have taken the Treasury figures
least favorable to 1901-2. In
f this, therefore, it would appear
e expenditure in Queensland in con-
with transferred departments is
ter, but probably a little less, than
the Commonwealth assumed control.

The difference in the figures I have given
and in those used by the Premier of
Queensland arises from the fact having
been overlooked that we had to provide in
1901-2 an immense amount of arrears
which properly belong to the previous year.
This was one of the consequences of adopt-
ing the new practice of closing down on
the 30th of June instead of following the
plan previously pursued in Queensland of
waiting for three months later and debiting
the expenditure to the previous year. With
the permission of the House I should like
to give some particulars of a similar
character with regard to the State of Tas-
mania. So far as Victoria is concerned, I
made a statement in the course of my
Budget speech, and I gave the fullest de-
tails in order that the State Treasurer
might check my figures if he thought fit.
In New South Wales the same difficulty
arose, but the State Treasurer sent me his
calculations, and I was able to show him
where he was wrong. In his Budget speech
he made these remarks—

I may also add that from my observations I
have every reason to believe that the transferred
departments are as well and as economically
managed by the Federal Government as ever they
were by this State.

The following table gives approximate par-
ticulars of the expenditure of the trans-
ferred departments in Tasmania during
several years :—

STATEMENT COMPARING THE EXPENDITURE OF TRANSFERRED DEPARTMENTS IN TASMANIA
DURING SEVERAL YEARS.
(Figures are approximate.)

	Customs.	Defence.	Post Office.	Total
	£	£	£	£
1895—not including printing, repairs, &c., in following year amounted to £2,203—Figures as by State Treasurer	6,814	8,577	61,972†	77,363
96—Figures supplied by State Treasurer	7,139	8,880	63,332†	79,351
99 1900—Figures supplied by State Treasurer	9,547	10,241	83,077†	102,865
00 1901 As per Statement attached	10,023	25,919	96,248†	132,190
01-2—As per Statement attached	10,402	22,840	100,892	134,134*
02-3—Estimated, as per page 49 of Budget of 23rd September, 1902, excluding Arrears, Compensation (£1,198), and New Works and Buildings previously charged to Loan (£11,245)	10,401	24,185	106,567	141,153*

* Includes Audit Office, which is not included in previous years.

† Probably includes expense of Savings Bank, which would be small.

re.—The Expenditure authorized by State Appropriation Act for the year 1901 was
£9,701; Defence, £25,866; Post Office, £97,414; Total, £132,981. These figures do not
include Audit Office, Printing, and Repairs, amounting to probably £2,500, but do include £2,000
Cable.

I may point out that in 1900-1 the departments were for the greater portion of the year under the control of the State, and, therefore, it cannot be said that the increased expenditure was caused by the change of control. As a matter of fact, the Estimates of the State Treasurer

provided for the amount that was actually expended. In 1901-2, when we had control, the total expenditure in the three transferred departments amounted to £134,134. The following statement gives the details in comparison with the year 1900-1 :—

STATEMENT COMPARING THE EXPENDITURE IN TASMANIA ON TRANSFERRED DEPARTMENTS IN 1900-1 AND 1901-2.

	Customs.		Defence.		Post Office.		Total	
	1900-1.	1901-2.	1900-1.	1901-2.	1900-1.	1901-2.	1900-1.	1901-2.
	£	£	£	£	£	£	£	£
State Funds (figures supplied by State Treasurer)	5,096	...	6,787	...	49,492	...	...	...
Commonwealth Funds (Actual Expenditure to 30.6.1901)	4,855	...	11,742	...	39,018	...	...	...
Arrears of 1900-1, paid in 1901-2	72	...	7,390	...	7,738	...	...	...
Expenditure in 1901-2	...	10,141	...	20,590	...	99,595	...	...
Arrears of 1901-2, to be paid in 1902-3. (See Arrears, Estimates.)	...	261	...	2,250	...	1,297	...	...
	10,023	10,402	25,919	22,840	96,248*	100,892	132,190	134,134

* Probably includes expense of Savings Bank, which would be small.

NOTE.—The amounts provided in the State Appropriation Act for 1901 were—Defence, £25,866; Customs, £9,701; and Post Office, £97,414. In addition, there was provision for repairs, &c., also for Printing, in other parts of Appropriation Act.

It will be seen that the expenditure for last year included some items which were not embraced within the expenditure of the previous year. This year, exclusive of £1,100, provision which has to be made for compensation in connexion with the Defence department, and for £11,000 which it is proposed to spend out of revenue, upon works similar to those previously constructed out of loan funds, the total expenditure will be increased to £141,153. Even if we expend the whole of that amount—and there probably will be some savings—the increase will be only £7,000 over the expenditure of the previous year. That is accounted for by two items, namely the increments, amounting to £2,052, which have been given to the public servants, according to the practice which has been followed in Tasmania, and £4,037 for the cable subsidy, which now has to be wholly paid by Tasmania, whereas it was formerly divided amongst the States. I intend to forward all these statements to the States Treasurers concerned, so that they may be checked. I contend that they show that the transferred departments are being worked as cheaply by the Federation

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as they could possibly be conducted by the State, and that all the statements which have been made regarding extra expenditure, amounting to hundreds of thousands of pounds, are myths.

SUPPLY (1902-3).

In Committee (Consideration resumed from 26th September, *vide* page 16205):

ADDITIONS, NEW WORKS, AND BUILDINGS.

Division 1 (*Trade and Customs*), £4,767.

Sir GEORGE TURNER (Balaclava—Treasurer).—I desire that honorable members should first consider the estimates of expenditure for additions, new works, and buildings, at page 229. I wish the committee to decide, as early as possible, whether the proposed expenditure upon new works, amounting to about £571,000, should be met out of revenue or loan moneys. If it is decided that we shall not borrow any money it will be necessary to submit additional works Estimates, and to considerably reduce the amount proposed to be appropriated. I should, therefore, be glad if some honorable member who is averse to borrowing would propose the

on of the first item by £1, so that we have a test division which would give the feeling of the committee.

REID (East Sydney).—We are standing wonderfully close to the position having a Ministry acting simply as advisers and awaiting our instructions as to what they are to do. I know that a large number of persons think that it would be better if Ministers were merely clerks or of being responsible administrators. I think that our political affairs would be much better managed under such conditions and it may be that the Government is quietly introducing that system. The Treasurer had an ample opportunity of bringing a decision from honorable members in connexion with the Loan Bill.

GEORGE TURNER.—We could not do so because we did not then know the state of the finances for this year.

REID.—But whatever the state of the finances might be, the Treasurer must have made up his mind as to whether or not he wanted a Loan Bill, because he introduced the measure. If the question of introducing a Loan Bill had been continued upon the state of the finances, the Treasurer with his usual good sense would have refrained from bringing in a Loan Bill until he had ascertained that it was necessary. A Government should always be in a position to submit its policy in a concrete form before it asks honorable members, even in an indirect way, to express their views. I am now asked to participate in a discussion which involves the reduction of a certain item by £1 without any definite proposal on the part of the Government being put before us. I have no desire at this stage of the session to provoke unnecessary controversy. We are all anxious to finish the remaining public business at as early a date as possible. But I would point out that the course proposed is rather an inconclusive one. I quite recognise that the Government must occasionally resort to Loan Bills for some of the expenditure which will be incurred in the carrying out of public works.

The Treasurer, however, is adopting a course which I do not like, and which I am not disposed to allow only in view of the general principle that we should finish during the present week the remaining business with which it is proposed to deal this session. I do not wish to take up a strong position on any matter if I can possibly avoid doing so; but I cannot refrain from

pointing out that it would be much more satisfactory if the decision of the question of whether or not we are to pass a Loan Bill were deferred until that particular measure was under consideration. If we are to adopt the course which has been proposed, I hope that the Treasurer, in order that we may have a fair opportunity of deciding the matter, will make some short statement of his own views upon the subject.

Sir GEORGE TURNER.—I did so when I made my Budget statement.

Mr. REID.—That was a very long statement; and honorable members cannot be expected to carry all the details connected with it in their minds. I do not ask the Treasurer to make a long speech upon this matter. I merely desire that he should give the committee, in a brief way, the salient figures—the amounts involved, and the services to which they relate. I can assure him that at the present time I am absolutely in the dark as to the true bearings of this matter. Seeing the enormous Customs revenue which we are now deriving, I am rather inclined to keep down loan expenditure as much as possible. At the same time, I should be very sorry to commit myself to the view that we may not have to resort to Loan Bills in order to carry on our reproductive departments. I strongly sympathize with those honorable members who desire to go slow at first, and to restrict as much as possible the tendency to resort to loans, but I do not wish to take a course in opposition to the views of the Government upon this matter unless I am very clear as to the facts. I think that it would be to the interests alike of the Government and the committee if the Treasurer gave us just a few leading figures, indicating the works which he thinks ought to be constructed out of loan moneys. The result of a decision upon a proposal to reduce a certain item by £1 is a very clumsy method to decide whether or not a Loan Bill is necessary, seeing that honorable members might be very willing that some of these works should be constructed out of loan money. A test vote upon a motion to reduce this item by £1 will perhaps mean that none of the public works proposed are to be constructed out of loan moneys this year, whereas a majority might be of opinion that certain works might legitimately be so constructed. I have no desire to stand in the

way of any course which the Government desire to take to expedite the transaction of business, but I hope that the Treasurer will recall to our minds the total amounts involved under each of the different services, so that we may know exactly what we are deciding.

Sir GEORGE TURNER.—When the Loan Bill was under consideration I placed before the committee the strongest reasons why, under the exceptional circumstances of the case, the Government should be granted permission to borrow a certain reasonable amount for a few years instead of taking—as my colleagues and myself would have liked—all the expenditure upon works and buildings out of revenue. Nearly all the States have hitherto adopted the practice of constructing their buildings out of loan moneys. The difficulty with which we were confronted was that in only two of the States could the necessary money be taken out of their revenue, if we were to allow of their receiving a large return. I do not know that those States would be embarrassed if we took the money required for the construction of the public works which it is proposed to carry out within their borders out of revenue, but certainly they would have a sufficiently large surplus to justify the adoption of that course. In the other States the surplus was not sufficient to justify us in depriving them of large sums. During the present year we are proposing to reverse the practice of the States to the extent of £180,000. We propose to construct buildings out of revenue—works which in nearly all the States have hitherto been constructed out of loan moneys. When this matter was previously under consideration, honorable members were in doubt as to whether the revenue of the present year would not show such a very large increase as to obviate the necessity for floating a loan. It was to enable us to ascertain what were the real facts that the debate was adjourned and the financial statement made, before we decided the question of whether or not we should raise loan moneys. To my mind it is altogether a matter of expediency. If we can construct the whole of the works out of revenue, well and good, but I wish to impress upon the committee—as I did when I introduced the Loan Bill, and as I repeated in connexion with my Budget statement—that, in my opinion, four of the

States cannot afford to have the works proposed constructed out of revenue. That is my great difficulty.

Mr. GLYNN.—Does it matter very much to any of the States?

Sir GEORGE TURNER.—Certainly, some of the works included in the Loan Bill represent a very large sum.

Mr. WATSON.—The committee ought to be informed of how much.

Sir GEORGE TURNER.—I circulated the Bill some time ago, but I will give honorable members the amount.

Mr. WATSON.—Can the Treasurer tell the committee how much worse off some of the States will be if the whole of the works are constructed out of revenue as compared with the position which they would occupy after paying interest upon the loan proposed?

Sir GEORGE TURNER.—The interest upon the loan would be only 3 per cent., whilst if the amount were taken out of revenue it would represent 100 per cent.

Mr. MAHON.—We cannot float a loan for 3 per cent. at the present time.

Sir GEORGE TURNER.—Yes, we can.

Mr. JOSEPH COOK.—By how much has the total amount originally provided in the Loan Bill been reduced?

Sir GEORGE TURNER.—Up to the present time I have reduced it by £75,000, which was the amount set down for the purchase of switch-boards. The general opinion seemed to be that the money necessary for making that provision should be taken out of revenue. I have not provided the whole of the £75,000 upon this year's Estimates. I have, however, set apart a sum of £32,000, which would be sufficient to meet the requirements of the present year. The balance would have to be forthcoming next year. Assuming that the total amount of the loan is £575,000, it would be distributed as follows:—New South Wales, £228,000; Victoria, £122,000; Queensland, £125,000; South Australia, £44,000; Western Australia, £46,000; and Tasmania, £10,000. If we are to adopt the principle that new expenditure shall be borne upon a population basis, the result will be that some of the States will contribute a larger amount than is expended within their borders. In Victoria, for example, the expenditure would be £122,000, but the contribution of that State would be about £180,000. If we are to construct these works out of

I think we should adopt the system of charging to each State the cost of the works carried out within its own boundaries.

JOSEPH COOK.—Should all this expenditure be classed as new expenditure?

GEORGE TURNER.—Yes.

JOSEPH COOK.—A great deal of it is for repairs and maintenance.

GEORGE TURNER.—No; all the expenditure necessary for maintenance and repairs comes out of revenue. I admit that in Victoria, the expenditure is for a replacement of the existing telephonic system.

In New South Wales we are proposed to substitute the metallic circuit in place of the old system, but I do not know whether we can fairly charge any outlay in this connection to the vote for maintenance and repairs.

It is really expenditure in connection with a new work, and should be paid for out of loan money.

JOSEPH COOK.—The expenditure on the new system which it will supersede is also out of loan money also.

GEORGE TURNER.—There is no doubt that that is so. Honorable members asked for information with regard to the expenditure proposed. The total amount set down for works which were included in the Loan Bill was £100,000. That has been reduced by £20,000 for switchboards. The first items included in that measure relate to alterations to the General Post-office in Sydney and to the Newcastle Post-office, at a cost of £26,000. In Queensland it is proposed to construct new buildings at a cost of £25,000. The balance proposed to be expended in New South Wales was for the construction of a telephone line connecting Sydney with Melbourne, for taking over the guaranteed lines, for the ordinary maintenance of the telephone and telegraphic system, for establishing metallic circuits, and for new instruments. In Victoria, a new system has to be adopted for re-grounding our telephone wires, by changing the metallic circuit, and providing a new switchboard.

W. B. EDWARDS.—The under-ground system only displaces the old over-head system.

GEORGE TURNER.—I admit that no provision has been made for the cost of extension works in Victoria. In New South Wales we had to provide for the extension and construction of telegraph and

telephone lines and to pay for works which have been carried out within the last twelve months. The same remark is applicable to South Australia, Western Australia, and Tasmania. A large proportion of the expenditure in those States is for ordinary extension work, and a considerable sum is provided for reconstructions which will be rendered necessary by the adoption of the new system. If we believed that the revenues of all the States could bear the strain, we should have been only too glad to debit the whole cost of the works to revenue. But, so far as I can see, to charge the large expenditure involved in their construction to the various States during the present year would, under existing conditions, be unwise and unfair. If these works had been undertaken by the States themselves, they would have been constructed out of loan moneys; and, seeing that we have deprived them of their chief source of revenue, it seems to me that we should be going too far if we insisted upon constructing the whole of them out of revenue. Having given the matter full consideration, I am forced to that conclusion, although I sympathize with those who urge that we ought not to borrow. If we are to deal fairly with the States, it seems to me that we are compelled to borrow. Certainly we ought not to do anything to place them in a more difficult position than that which they occupy at the present time.

SIR MALCOLM MCEACHARN.—Does this expenditure provide for the completion of the whole of the works?

SIR GEORGE TURNER.—No; the additional expenditure necessary is shown in another column.

MR. WATSON (Bland).—I do not quite know that a proposal to reduce the Estimates of Expenditure from revenue by £1 is a good way of testing the question of whether or not we should consent to loan expenditure. It seems to me that it would have been better had the Estimates of loan expenditure been placed before us, and a motion had been submitted to reduce the first item. The vote then could have been accepted as a decision applicable to the remainder of the items. But, so far as I am concerned, I shall adopt that course if it will lead to the discussion and the disposal of the matter in a quicker and easier fashion. There is, however, one point to which those of us who believe that works should be carried on out

of revenue rather than out of loans would do well to pay some attention. The Treasurer stated that if the loan expenditure is vetoed by this House then the amount spent on the works must be considerably reduced. I do not see the force of any such statement. It is to be assumed that these works are proposed only because they are necessary. If the majority of honorable members, in view of the fact that we have an estimated surplus of revenue over expenditure of some £915,000, decide that revenue shall provide the funds, they do not declare that works which the Government say are necessary shall not be carried out this year.

Sir GEORGE TURNER.—The trouble is that the honorable member does not deal with the individual States, but takes them as a whole.

Mr. WATSON.—I am looking at this question from an Australian stand-point.

Sir GEORGE TURNER.—But the money has to be returned to the States.

Mr. WATSON.—The Australian stand-point is that from which I prefer to regard the question; and, as a preliminary, I say that, so far as my vote is concerned, while I am against loan expenditure, I am against any reduction of the expenditure on necessary works. I take it for granted that the inclusion of the works in the schedule is an admission that they are necessary. In view of the general economical traits of the Treasurer, we know that he is not likely to assent to any works which cannot be shown to be not only necessary, but immediately necessary. I do not wish to go over the whole ground of discussion, traversed some months ago; but we may, at least, congratulate the Treasurer on the fact that, according to the Estimates, he proposes a considerable increase in the amount to be expended from revenue on works, a great number of which, I am sorry to admit, have always in the States been constructed out of loans. That is a step on which those who believe in such expenditure being made out of revenue may congratulate the Treasurer. That we cannot go to the extent the Treasurer now proposes in regard to loan expenditure is, to myself at any rate, a matter of regret. I must emphatically protest against the idea that while we have an enormous balance of revenue over Commonwealth expenditure—a balance which we are entitled to spend in any direction we think fit for the Commonwealth as a whole—

we should go into the money market of the world or of Australia and borrow a paltry £500,000. The Treasurer points to the probable result that the States may be in the position of having a deficit as compared with the previous state of affairs; but if the States have obtained their balancing of accounts only by charging to loan works which should have been charged to revenue, such balancing is not a fair criterion of the state of their finances. If the States can only balance accounts in that way, why should the people of Australia as a whole, while having money at their disposal, resort to loans merely in order to save the States Treasurers, who are responsible to their constituents for the expenditure, from the necessity of raising loans? Even if any action we may take in the direction of causing monies to be expended out of revenue does compel loans, it is much better that the loans should be raised by those responsible for the expenditure, namely, by the States Government; and even if we spend £570,000 out of the revenue which is still at our disposal for the ensuing year, we shall return the States—not individually, but collectively—hundreds of thousands of pounds more than we are bound by the constitutional contract to return. In view of this fact, it seems in the last degree ludicrous to find the Commonwealth, at the inception of its career, with an overflowing Treasury, practically confessing to the world that we cannot find money to carry out extensions of the mere business undertakings we have entered into on behalf of the people. It is repeatedly claimed that the Post-office is a paying commercial concern, and yet it is proposed to admit that we cannot find a paltry £500,000 this year in order to make the department more reproductive and more convenient to the people. That, in my opinion, is a lamentable confession in the face of an estimated surplus of £915,000.

Sir GEORGE TURNER.—The unfortunate thing is that the States have not overflowing Treasuries.

Mr. WATSON.—That is a matter over which, as I have contended all along, we have no control. We are constrained to hand to the States three-fourths of the revenue from customs and excise, and if we do that our part of the bargain is fulfilled. Even if the £570,000 referred to be taken out of revenue, there will be between £300,000 and £400,000 handed back to the States Treasurers in excess of the

which they are legitimately entitled

MR. TURNER.—Queensland will get short of the fourth, and Tasmania receive an amount short of that.

MR. WATSON.—Quite so; but I do not think we are constrained to make any effort to save Queensland from the consequences of the failure to balance that failure being due to an unwillingness to raise revenue from sources which are still open. If the Queensland Government refuse to take advantage of the various sources of revenue, surely the Commonwealth is not compelled, because of that, to place extra burdens on the shoulders of the people who have used similar sources. The States have imposed land and income taxes in order to meet their own needs, and, in at any rate most cases, the States are not in the position occupied by Queensland to-day. While Queensland leaves its sources of taxation untouched, it has no right to come whining to the Commonwealth Parliament for any special consideration. I refuse to believe that the Queenslanders desire any whining to be done in on their behalf; in my opinion they are prepared to put their hands into their pockets in order to make good the necessities of the State Government.

MR. ALCOCK.—A great many things in their pockets.

MR. WATSON.—I do not advocate for a moment that any attempt should be made to get blood from a stone—to get money from those who have nothing with which to pay. That is a labour I would not like to see the Treasurer of Queensland enter upon with any hope of satisfactory results. But the Government of Queensland have made an attempt to get money out of the pockets of those who are able to pay; and that is the only ground of objection. At the same time, the Queensland Government fill the country with lamentations, and, in some cases, with accusations against the Commonwealth Government because of the failure of the latter to prevent the necessity of taxing the remaining rich people of Queensland so that they may bear some fair share of the public burden. I do not wish to go in detail into this aspect of the matter, but merely to say that while there is in Queensland to exploit various sources of taxation which yet remain open,

the Government of that State have no right to ask the Commonwealth Government to enter on a career which is foreign to the interests of the people of the Commonwealth as a whole. I maintain that to pay for the various necessary works out of loans is against the best interests of the people. In my view, loans always lead to false notions as to the value of economy. If people can borrow easily and cheaply they are frequently led to indulge in extravagance of which otherwise they would not be guilty, and borrowing builds up for those who will come after us in a few years a burden which it is impossible for us to appreciate at the present time. I shall not go into this matter at any great length, but with a view of testing the question whether the committee is in favour of a borrowing career being entered upon at this early stage in the history of the Commonwealth, I move—

That the item, "Construction of new boat harbor at Newcastle, £150," be reduced by £1.

MR. MACDONALD-PATERSON (Brisbane).—The honorable member for Bland would, I think, have better helped the committee, and better served his purpose, had he confined himself to a discussion of the question whether or not the Commonwealth should borrow. One astonishing statement made by the honorable member was that the Post and Telegraph department is a paying concern.

MR. WATSON.—I did not say that the Post and Telegraph department is a paying concern, but only that it is always claimed to be such.

MR. MACDONALD-PATERSON.—I fancy that the honorable member will find that the word "claim" is not reported in *Hansard*, and my contention is that the department has never paid its way. In Australia, as a whole, the Postal department was never expected to be revenue-producing in the way that it is in France, Germany, and particularly in the United Kingdom. In the mother country, speaking roughly, there is a profit on the postal branch of some £3,500,000, though the telegraph branch, I believe, shows a small deficit. That deficit in the telegraph branch is, however, being reduced each year. I advocate the principle which has obtained in all the States of borrowing for new works of this character. Is it contended that, because borrowing for such works has been

estimates, but at the same time what is proposed by the honorable member for Bland is not the way to help the States' finances. The honorable member for Bland objects to the position that if we do not grant the power to raise a loan these works will not be carried out. I fail to see how we should be justified in providing for all these works out of revenue, and thus robbing the States and preventing them from being able to pay 20s. in the £. In many instances, what may be regarded as a pin-prick policy has been adopted. Considerable irritation has been caused in the States owing to the fact that many of these works had actually been approved, and in some cases provision made for them, when the Federal Government took over the departments, and a new born zeal to do away with an established custom came into play. Apart altogether from the works to be carried out under the Loan Bill, provision is made under these Estimates for one-third of the works to be constructed out of revenue which formerly have been provided for out of loan moneys. In the future we may be able to adopt the principle of providing for our undertakings out of revenue, but it is absurd to seek to provide for all these works out of revenue, in one of the worst years that has ever been experienced in Australia. Such a course would not be calculated to assist the States Parliaments. I trust that the Treasurer will make a fight for his proposition, and not allow it to go by default, simply because of the fact that a few honorable members think that these works ought not to be provided for out of loan moneys. If he is in earnest he will fight for his proposal. If he does, I shall fight with him. He has gone quite far enough in providing out of revenue for fully one-third of the works which used to be constructed out of loan moneys. It is our duty, in the present financial position of the States, to make a determined stand, and not allow them to become involved simply because of this new-born idea of providing for everything out of revenue. In our private capacity many of us would like to be able to do without recourse to loans, and many private institutions have the same desire, but the force of circumstances is such that we are often compelled to resort to borrowing. That is to-day the position of the States. If these works are to be carried out, they must be constructed out of loan moneys. It is idle to blame the States for hanging

up the works. If they are justifiable, as they should be, when provision is made for them on the Estimates, we should not make it more difficult for the States to carry on by enforcing at this juncture a scheme for providing for everything out of revenue.

Mr. HUME COOK (Bourke).—The position in regard to the Loan Bill is somewhat different from what it was originally, owing to the fact that the Treasurer has announced that to a certain extent some of the works which he had previously proposed to carry out by means of loan moneys are now proposed by the Government to be constructed out of revenue. To that extent, there has been an alteration, but the alteration is not one of principle. The principle is the same as before, although the loan now proposed to be raised is somewhat small—so small, indeed, that I think it would be almost ridiculous for the Commonwealth to go on the market to float it.

Mr. GLYNN.—Discounting our solvency at the very start.

Mr. HUME COOK.—Whilst it might not be discounting our solvency, I think it would be undignified for the Commonwealth to float a loan of only £500,000. It may be that the Treasurer takes the opposite view, and desires the public to be encouraged in the belief that this over-cautiousness on the part of the Federal Government is a sign of our greater solvency, and a desire not to increase our debts. Still, I think the amount proposed to be raised is so small that the matter might very well be allowed to stand over altogether. It is in regard to the principle involved in the present discussion that I propose to make a few observations. We are told that the position of the State is such that some loan moneys must necessarily be expended in order to enable certain works to be carried out. I have no doubt that were there no federation the works now proposed to be constructed out of revenue would be constructed for the most part out of loan moneys. I do not disguise that fact for a moment. But the States had already entered upon the policy of borrowing when federation was established, and they have so fed themselves upon that policy that it is very hard for them to initiate a new one. In regard to the Commonwealth, however, the position is entirely different. The principle of borrowing has not yet been affirmed by this Parliament, and I hope that it will not be far

ne to come. The responsibility for the States may choose to do for lies with them. On the other e responsibility lies with us in uring to preserve the credit and of the States as a whole. I am hose who think that for the Com- th to initiate a policy of borrow- addition to that pursued by the would be to do that which is ly wrong.

SAWERS.—How are we going to e federal capital?

HUME COOK.—I said I hoped should not borrow for a very long come. If there be one thing more other which is necessary to-day exion with the financial affairs of a, it is that there shall be some- ke firmness in relation to our as in money matters. I fear that Commonwealth to initiate a borrow- icaly would be to add to the un- as which prevails. For years past, he whole of the States have had vast In round figures I suppose that of the States deficits for last year ut £1,750,000.

POYNTON.—Will the honorable mem- w how his vote is going to improve ition?

HUME COOK.—If the honorable will allow me to proceed, I shall ur to make some remarks pertinent ssue. I wish to emphasize the fact e huge deficits in all the States do t to facilitate financial operations to ent. Those who are to lend us the now that no amount of juggling can e fact that the same people will have he taxation. The taxing authorities rent, but the taxpayers remain the d the investor is not to be hood- by the fact that it is the Common- which asks the loan, and not a ar State. A new population has a created because of the fact that the have been merged into the United of Australia. There are some 00 people in Australia, and they are eavouring to pay the interest charges States debts. If the Commonwealth borrow money, the foreign or the investor—I care not which—will not d to the fact that the same people ve to pay interest on both the Com- lth and the States loans. Therefore, Commonwealth to borrow is for the

Commonwealth to add to the unsteadiness in matters financial which prevails to-day in Australia. I am afraid that for the Commonwealth to initiate this policy would be to impair rather than to add to the credit of the States. In the State of Victoria, with which I am most familiar, some £5,500,000 of loan moneys will be due early in 1904. Of course, Victoria will not be in a position to pay off that amount. It will be necessary for it to float a conversion loan in order to cover the deficiency. It will probably have to float a loan of £6,000,000, because, in view of the present state of the market, the State Government are not likely to be able to obtain anything like the rate which they previously secured. My belief is that, in order to cover the expenses and other charges, they will have to borrow £500,000 in excess of the loans repayable on the date named. If the Commonwealth also goes into the market how will it affect the credit of the State in endeavouring to convert that loan? Will it not rather impair its credit? On the other hand, if the Commonwealth determines to construct its public works out of revenue, and keeps out of the market altogether, it will be of fundamental assistance to the States which are compelled to go into the money market, simply because they cannot possibly meet the obligations as they become due. I have here some figures relating to Victoria, which are a little remarkable as affecting the question of borrowing. I have endeavoured to find out to what extent the interest charges in Victoria are responsible for the added payments as a whole in connexion with the financial affairs of the State. It is asserted in some quarters that the increased expenditure in Victoria is due to the fact that we are employing too many civil servants here. Others put it down to differing causes. I tried to find out how far the State borrowings were responsible for the increased expenditure by way of interest.

Mr. POYNTON.—Did not the honorable member vote for borrowing when he was a member of the State Parliament?

Mr. GLYNN.—We all did. We have all been fools at some time or other.

Mr. HUME COOK.—I find that in 1891 the public debt of Victoria was in round figures £43,000,000. Between 1891 and 1901 loans were floated to the extent of £18,500,000, but during the same period loans were redeemed to the extent of

£8,000,000. In other words the public debt of Victoria was increased during the ten years by some £10,000,000, or £1,000,000 a year. As the result of that increased borrowing we have the further fact that whilst the interest payable in 1891 was £1,700,000, it had risen in 1901 to £1,950,000. That is an increase of £250,000, which is equal to about 5s. per head of the population, and that 5s. per head remains as a permanent tax.

Sir GEORGE TURNER.—Does the honorable member allow nothing for the additional revenue which was received as the result of the expenditure of that loan money upon railways and other works?

Mr. HUME COOK.—I have figures in respect of the revenue, and I think it will be found that for the most part there was a decrease of revenue during the period named.

Sir GEORGE TURNER.—From other causes. The money expended on new works must have brought in some extra revenue.

Mr. HUME COOK.—On the contrary, I shall prove that as a matter of fact the whole of the moneys borrowed in Victoria during the last twenty years have practically been non-productive.

Sir GEORGE TURNER.—They have opened up the country.

Mr. HUME COOK.—As a result of this increase in the burden of interest, the people of Victoria have to pay 5s. per head, or about 9 per cent. of taxation in excess of what they were previously called upon to bear. As to the question of whether these loan moneys have been reproductive or not, I find from the last statement made by the Victorian Treasurer, Mr. Shiels, that the earnings on loan moneys expended fall short of the interest burden by about £500,000. If we capitalize that sum at $3\frac{1}{2}$ per cent., we shall find that it amounts to £15,000,000. During the last twenty years we have in Victoria borrowed about £15,000,000, and if the figures, as given by the State Treasurer are correct, then the whole of the £15,000,000 borrowed during the last twenty years has been absolutely non-productive, since it has not met the payment of the interest involved in the obligations incurred. Of course some of the recent loans have been productive, whilst some of the earlier ones have been now productive, but, taken collectively, the result is as I have stated it.

Mr. POYNTON.—Has there been no indirect gain to the State?

Mr. HUME COOK.—I am not now discussing whether there has or has not been any indirect gain to the State. I do not say that it may not be wise in some instances for the States to borrow money; but I am endeavouring to prove, perhaps somewhat impotently, that for the Commonwealth to add to the debts of Australia by entering the loan market on its own account will result only in adding to the instability which at present exists in money matters, and will in some sort impair the credit of the States. I am further endeavouring to prove that, in view of the increased revenue which the Custom-house is now yielding to the Commonwealth, there really is no necessity for the flotation of such a very small loan as the Government have submitted to us. I candidly admit that I have not had full time to digest all the figures I have obtained, or to obtain all I hoped to obtain in connexion with these matters. It was my intention to have given them a little more scrutiny, but though we knew that the proposal was coming on, it has been brought on earlier than I expected. I wish to emphasize my statement that, so far as the Commonwealth is concerned, it is hardly worth our while to enter the money market for so small a loan.

Mr. DEAKIN.—Surely, on the honorable member's argument, the smaller the loan the better.

Mr. HUME COOK.—Certainly; but so far as the Commonwealth is concerned, I believe there should be no loan. I further wish to say that if the States cannot now meet their obligations in connexion with interest charges, unless by resorting to taxation or retrenchment, there must sooner or later come a time when the limit of taxation will have been reached. I do not know whether that limit has yet been reached in Australia or not, but the State Treasurer apparently believes that it has been reached in Victoria. If that is so, we are hardly warranted in adding to the burdens of the people of the States by imposing upon them additional interest charges for Commonwealth loans.

Mr. SALMON.—If we take their revenue for public works will they not be in a worse position?

Mr. HUME COOK.—I think not. Under the Commonwealth the State of Victoria is getting back more customs revenue than she previously obtained.

Sir GEORGE TURNER.—Not this year.

HUME COOK.—I am speaking of Mr.

GEORGE TURNER.—Yes; but the have all the new expenditure put on them.

HUME COOK.—Our Commonwealth expenditure is as much for the of Victoria as for Australia as a whole. If we get a new post-office in Melbourne, it does not do any particular good to the island.

SALMON.—The State Treasurer of Victoria would much prefer that we should depend upon this loan, than that he should have the money taken out of his pocket for this year.

HUME COOK.—I have no doubt that is so; but what is our duty in the matter?

SALMON.—I thought the honorable member was arguing from the State Treasurer's point of view.

HUME COOK.—I am arguing from the point of view of the Commonwealth. A State Treasurer will find himself in a difficult position some years hence that the Commonwealth State Treasurer finds himself in now. That is to say he may have to face increased expenditure, by way of interest on the additional borrowings, just as the Commonwealth State Treasurer has to meet the sum of £500,000 a year for interest as the result of the last ten years' borrowing. If we add more borrowings, a future Commonwealth State Treasurer will find himself in the same position. Increased taxation will ultimately be inevitable. If we can avoid borrowing at the present time, we may save the State to a certain extent. If we proceed with the borrowing policy we shall inevitably have further taxation. I do not know that the Government is anxious to add to the taxation imposed upon the people of Australia. I, for one, do not. I prefer that we should have the Government's debts met by each year's revenue. It is the difference between spending money from revenue and spending money from loans. If our expenditure is defrayed from revenue, the debt, once contracted, is paid and done with. But, if it is paid out of loans, the debt goes on for ever, because the interest charge remains as a tax, and is never removed.

POYNTON.—The honorable member is talking about travel by bullock dray.

HUME COOK.—No; I prefer to pay my way. I prefer to pay my way.

Mr. FOWLER.—The thrifty man who does not borrow gets an improvement upon the bullock dray soonest.

SIR GEORGE TURNER.—Western Australia would not have been opened up if the State Government had not borrowed.

Mr. HUME COOK.—I am not discussing the inadvisability of ever borrowing at all, but the inadvisability of the Commonwealth borrowing at this stage. There was a time, and my remarks have indicated the fact, when the States could borrow money at advantage, and I instanced Victoria as a case in point. But that time apparently ceased twenty years ago in Victoria, for all the borrowings during the last twenty years do not return sufficient to pay the interest charges upon them. That is the point I sought to make, and the Victorian case is better than that of any of the other States, because Victoria has borrowed less money per head than the other States. I repeat that for the Commonwealth to enter the money market and borrow money at this stage would be very inadvisable; first of all, because it would have the effect of interfering with the credit of the States in connexion with their loan conversions, which must shortly take place; and in the next place, because we have plenty of money coming in from the Customs and otherwise to carry out the £500,000 worth of public works to be covered by the proposed loan. I believe those works can be constructed out of revenue, and that, therefore, there is no need for us to add an annual charge, that will remain perhaps for ever, in the shape of interest payable upon the loan proposed to be floated. In these circumstances, I hope that honorable members will not agree to the proposed loan, but that they will instruct the Treasurer, as he desires instruction, to carry out from revenue the works which are really necessary, and leave those not urgent for a future time.

Mr. GLYNN (South Australia).—I am sorry I cannot in this matter agree with my honorable colleague from South Australia, Mr. Poynton. We have pulled together in connexion with a good many other things, but I cannot assume a position on behalf of South Australia in the Federal Parliament, which I should have repudiated as a member of the State Legislature. For the last five or six years there were several of us who, in the local Parliament, were determined to put a stop to the borrowing which has been too frequently resorted to during the last

fifteen or twenty years. It remains for us now to be somewhat consistent with the policy to which we gave expression in the local Legislature. Nor do I share the fears expressed by my honorable colleague as to the effect upon South Australia if we reject the proposed Loan Bill. I do not think there was very much fight in the Treasurer's speech upon this point. The right honorable gentleman seemed, in making the proposition, to be balancing all the pros and cons pretty fairly. His speech was somewhat like a proposal of marriage made by some bachelor who was praying Providence all the time that the woman would reject his suit.

Sir GEORGE TURNER.—I spoke as strongly as I could in the Budget speech.

Mr. GLYNN. — I read the speech through. I know that a considerable amount of emphasis may be given to political statements, if the speakers are exceedingly desirous that they should succeed in what they propose; but I noticed a certain weakness and lack of warmth in that part of the Treasurer's speech in which he asked honorable members to take up the Loan Bill again. I do not share the fears of the honorable member, Mr. Poynton, as to the effect upon South Australia of throwing this class of items upon revenue, because federation has left South Australia pretty well off. The Treasurer's statement of last week showed that, after deducting the new cost of the federation in 1901, we returned to South Australia £35,000 more from Customs than that State received in the year prior to federation. In other words, that State really made a profit in that year as against the year 1900. By deducting the *per capita* cost—and that is the way I take the Treasurer's speech, and I think his figures bear me out—from the total net revenue, there was still an excess of £35,000 returned in 1901 as against that State's receipts in the last year under the old régime.

Sir GEORGE TURNER.—That excess has come down to £13,000 this year.

Mr. GLYNN.—I was going to say that this year the excess comes down to £13,000, but it is still a profit in 1901-2 as against 1900, the year prior to federation.

Sir GEORGE TURNER.—No; there is a loss of £21,000 this year as compared with 1900.

Mr. GLYNN.—Is the right honorable gentleman quite right in saying that of 1902-3? I think he said there was a minus

entry of £20,000; but we know that in the previous year, 1901-2, there was a profit of £13,000, and it seems to me that the new cost of federation this year, on a comparison with the Customs of 1900, will be something like £8,000 to South Australia. That is to say, allowing for increased Customs receipts, that the estimate for the current year will be only £8,000 as against an estimate of about £35,000 in the 1897 Convention. I say therefore that, no matter in what way we take it, federation has really left South Australian finances in a pretty sound condition. Therefore we are not called upon in a petty matter of this sort, an expenditure for all States of £500,000, to follow, at the very outset of our political life, the wretched example which the States have followed for the last twenty years. As regards the method of apportioning this money in case we borrow it, I point out again that South Australia comes out pretty well in the transaction. If honorable members from South Australia will look at page 65 of the papers presented last week by the Treasurer, they will find that, of the £174,000 to be paid out of revenue for new works, an expenditure of £20,000 will take place in South Australia, but her contribution *per capita* will be £3,688 less than that. There we have one example of the financial effect upon that State of the application of the principle of paying *per capita* in connexion with expenditure from revenue. In other words, there will be during the current year an expenditure of £20,000 in South Australia as against a *per capita* contribution towards that expenditure by that State of £16,417. So that if we throw the whole of the public works expenditure upon revenue, instead of £174,000 of it, and apply the same principle to the whole, we in South Australia shall actually gain by the transaction, because in respect of our share of the total we shall pay less *per capita* than the expenditure necessitated in that State this year.

Mr. HIGGINS.—The honorable and learned member is speaking only of South Australia, because her gain may be our loss.

Mr. GLYNN.—I am speaking merely as to the effect upon our position, because there has been a good deal of unnecessary timidity displayed in relation to the State finances under federation, and a good deal of unjustifiable criticism against the policy of the Federation, and its effect upon local finances. I think it is our duty, as we are perhaps more interested in the figures applicable to

States, to submit a fairer representation of the effects of federation. As a method of debiting this money, if it should be floated, I think the suggestion of the Treasurer is a very fair one, and is constitutionally carried out—debiting the lot *per capita*, that is to be regarded as transferred expenditure. I know it is very difficult to put what category some of this expenditure should be put; whether, for instance, switchboard expenditure should be regarded as transferred expenditure or new expenditure.

SEPH COOK.—The Treasurer says it is transferred expenditure."

LYNN.—The right honorable member since the Loan Bill was introduced the doubt, as regards switchboard expenditure, by regarding it as transferred expenditure, and throwing it upon the States. But he can with the same liberal construction of the terms of the Loan Bill regard, for instance, as transferred expenditure items 26 in the Loan Bill—construction and extension of telephone lines, and construction and extension of telegraph lines.

GEORGE TURNER.—Yes, but the difficulty is that these which we took over will be paid on a *per capita* basis, while those which are constructing now will pay on a *per capita* basis.

LYNN.—I do not see that it makes any difference ultimately.

GEORGE TURNER.—Ultimately the States will have to pay on a *per capita* basis.

LYNN.—What does it matter? There is a very little difference between such as a switchboard and items 26 and 27 in the Loan Bill under the head of South Australia, because they can very well be regarded as part of the maintenance of the railway, and as it was transferred. Main-tenance includes something more than what is usually regarded as repairs. Even the expenditure on the military force are regarded as maintenance, though I admit the construction of additions might be regarded as new expenditure. It is a plausible and fair one. We have these points of doubtful expenditure, we ought to adopt the wise, and fair policy, which is to re-consider them as transferred expenditure, and then the whole expenditure in the Loan Bill is more or less—will be debited to the States. We shall get rid of the items which were pointed out by the

Treasurer when he said that if it were dealt with as new expenditure, some States would contribute more than the total expenditure therein. If it is regarded as transferred expenditure, the matter is comparatively simple, because each State will then be debited with the exact amount spent therein during the current year. Surely we ought not to be afraid of spending £44,000 out of the revenue of South Australia. I should prefer not to go in for the expenditure at all just now than to sanction at the very outset of our career this pernicious policy of including in a Loan Bill some of these small items. We ought not to be afraid of casting on the revenue of the current year a little additional burden to the amount of what is really urgent of £44,000, in view of the very much greater question of setting an admirable example to the financiers of the States. Look at the question of our indebtedness which has been so well dwelt upon by the honorable member for Bourke. According to the Treasurer, we have a public indebtedness of £208,000,000. The securities for this amount are the very assets that we are now going to mortgage again. Federation has not added a single acre of ground or a single personal asset, except in the way of greater efficiency from combination, to the sum total of the resources of the States. Still we are asked to enter the lists in competition with the States, and to raise for these particular purposes a federal loan on the security of the very same assets which now are somewhat pressed by the enormous burden of debt which rests upon them.

Mr. MAHON.—Is not that an argument for all time against raising any Commonwealth loan?

Mr. GLYNN.—No. It is an argument for scrutinizing a petty loan of this sort. It is not an argument against loans which are needed for the conversion of State debts—big transactions involving millions which would increase the reputation of our solvency. Surely to go into the English money market at the very beginning of our career, and to ask for a petty loan of £500,000 when we have a revenue of about £11,000,000—

Sir GEORGE TURNER.—But we are not going to do that; it is to be a local loan.

Mr. GLYNN.—Is not that much worse? If it is offered locally, what will be the effect? Shall we get the money at less

than $3\frac{1}{2}$ per cent. at par? It is not likely we shall. So that we are going to set the value of our local solvency before the whole world at $3\frac{1}{2}$ per cent., while Canada can borrow in the English market, at a little less than par, for $2\frac{3}{4}$ per cent., and in 1898 did borrow at $2\frac{1}{2}$ per cent. We are actually going to mark the value of our securities at $3\frac{1}{2}$ per cent. at par, and I defy the Treasurer, at the present time in Australia, to get money at less than that rate. It is an extraordinary thing that Canada can borrow money in England at about $2\frac{3}{4}$ per cent. at very nearly par. If we go there for a loan of £500,000—the sum total is made of a number of equivocal little items—we shall be injuring the reputation for solvency and the good financing of the Commonwealth at the very start of its career, and we shall not get the money for $2\frac{3}{4}$ per cent., or probably 3 per cent., at par, whereas if we borrow the money locally we shall be setting up a value of our assets or security, which is measured by the interest we shall have to pay.

Mr. MAHON.—Would it not deteriorate State loans also?

Mr. GLYNN.—It would have an effect upon them. Let the federation wait until it is asked to offer a loan of three, four, five, or six millions to convert State debts, or some clearly reproductive outlay for which revenue is inadequate. Doing that will be evidence of something which will attest our solvency, which will increase our reputation for solvency, because it will relieve by reconversions some of the burden of State interest. We ought to be most careful not at the very outset to decide that the States are in such need that small sums of £10,000, £15,000, or £20,000 cannot be charged against the revenue of the current year. The whole of the amount need not be spent in the year. The Treasurer said in his speech that about £500,000 was the total sum which he expects to spend. If that is so, the burden will not be cast on the revenue of this year; it may be spread over two years. Surely it is within the competency of the Treasurer to arrange such expenditure as will throw only two-thirds, or perhaps half, the burden on the revenue of the current year. If that is done the States will not feel very much the burden of the greater responsibility. I ask honorable members once and for all to put their foot down, and say—"Unless the loan is one that is needed for conserving our

finances or debts, or cannot possibly be avoided, we decline in the very first session of the Federal Parliament to set an example against which we have all been crying out in the States for the last five or ten years."

Mr. DEAKIN (Ballarat — Attorney-General).—The last speaker complained that the Treasurer did not press this proposal with the warmth which he would have exhibited on its behalf if he had spoken with a whole-souled devotion to it. I think it is much more desirable for him to exhibit frankly exactly the feeling he had, and the opinion he holds than to assume an enthusiasm which would not have been warranted by his feeling, or that of the Government. We are unable to put this forward as a proposal springing from those principles which we all hope will govern the future of Australia in regard to its borrowing. We admit, as much as any honorable member can do, that there has been much undesirable precedent in the matter of borrowing, which we do not seek to follow and from which we hope to distinctly diverge. The borrowing policy may have had its day—it is unnecessary now to discuss its good or ill results. But it is noticeable that the position we have now reached is one in which the continuance of that policy is neither proper nor desirable. We have to initiate a sounder system of finance, and the urgency for such a change is furnished to us by the misapplication of borrowed funds in most of the States. One of the first principles upon which the people of Australia are likely to take their federal stand is that their borrowing shall be of the smallest possible total, and be devoted with the greatest possible circumspection to particular investments justifying a departure from what I trust will be the ordinary policy of the Commonwealth—that is, to meet out of the funds of each year the demands of that year. Only for works of great size, character, reproductive nature and Australian quality, should borrowing be allowed. It ought to be regarded from the first as an indulgence, and should not form one of the regular elements in the financial proposals of Australian Governments. All are agreed, I take it, on those broad lines. It is impossible, even under the pressure of temporary circumstances, to propose with any degree of warmth to depart from those sound principles. What the Government say is that they make this

not on the ground that it is entirely in accordance with those permanent principles, but because of the special and peculiar circumstances of Australia at the present time. It is expedient some such departure as this from those principles. I do not even urge that it is expedient in the interests of a federated Australia, if we could separate from the States of which it is composed. But we do put it distinctly as in the interests of the people themselves, considered as units of the nation, with whose prosperity ours always be bound up, and who at the same time are associated with us financially in a very special manner. It is not in any action or inaction on the part of Parliament or this Government that we are ourselves unable as yet to disengage ourselves from the special financial and particular financial interests of the several States. The Constitution has united us in finance. It does not create a federated Australia. It leaves us only a confederated Australia. It provides for an elaborate system of accounts, under which each State receives only its share within its borders, and is made responsible only for the expenditure within its own borders. Putting aside for the moment the question as to which all contribute for common purposes—the maintenance of the Imperial and Federal Departments, the State is still allowed to remain financially independent. For at least five and possibly for ten years, the necessities of the States is preserved, and they are therefore obliged, not by the necessities of the time alone, although these are serious, but by the very character of the provisions of our Constitution, to deal with the States during that limited period in the manner in which we may eventually expect to deal with them when it is ended. For the present each State is to be financially on its own basis, and for the present therefore the Government submit that it is proper and constitutional course for Parliament that it ought to consider the question not in the general fashion in which we always consider them, but in a special manner—in a special way in which we are not to be called upon to consider them until the time of transition expires.

JOSEPH COOK. — The honorable member advises us to agree to this without advice.

Mr. DEAKIN.—No. For five, and possibly for ten years, we shall be called upon to regard the interests of our constituents, not merely as members of the Commonwealth, but as citizens of their respective States, and in connexion with the latter capacity, we shall be bound to consider the condition of the States Treasuries, and to consult State policies. When the Commonwealth has attained its majority in matters of finance, this obligation will be no longer imposed upon us. The citizens of Australia will then be treated alike, without distinction of State, in our financial administration. But we anticipate events if we at once cast that full responsibility upon the States Governments, and shape our policy without regard to their difficulties, particularly at a time of depression like the present.

Mr. HIGGINS.—Is to borrow on loan to anticipate the true federal policy?

Mr. DEAKIN.—It is, to my mind, contrary to what will be the true federal policy when we shall have shaken off the obligations of the present intervening period and have obtained full command of our resources. But under the circumstances the Ministry are justified in pressing the proposal upon the committee. The Treasurer has put, with his accustomed clearness and force, the effect which its refusal may have upon the States.

Mr. O'MALLEY.—Will it mean bankruptcy to them?

Mr. DEAKIN.—No; but it must increase their embarrassments. The honorable member for Bland, although he admitted that the States must be dealt with individually in regard to finance, based his argument from first to last upon the contention that a large amount is to be returned to the States collectively. If, however, he and others were in partnership, and large profits were to be returned to the partnership collectively, in which he personally did not share, he would not consider the position satisfactory.

Mr. WATSON.—If the money had to be taken out of my pocket first, I might waive the objection.

Mr. DEAKIN.—We take out of the pockets of the States the amount spent, and return to them the amounts earned within their boundaries.

Mr. WATSON.—Before a surplus can be returned to the States it must be earned.

Mr. DEAKIN.—That is true. But while it is the popular belief that the States are entitled to receive back three-fourths of the revenue earned by duties of customs and excise, the Constitution does not provide that three-fourths must be returned to each State. It provides that three-fourths of the gross amount collected must be returned. In the present year Queensland is an illustration of a State to which less than three-fourths of the amount earned is being returned, and it may be considered to have a deficit upon the return popularly expected from the Federal Government. The real strength of our proposal arises from the fact that although there is a large sum to be returned to the States collectively, practically the whole of the money must be paid to two of them, while the other four receive much smaller amounts. If the proposed expenditure is treated as new instead of as transferred expenditure, and the works are paid for out of revenue instead of out of loan, two of the States will meet it out of what may be called their surplus, while the other four will have another increase of their deficits. I agree with the honorable and learned member for South Australia, Mr. Glynn, that it is possible to so construe the Constitution as to allow this proposed loan expenditure to be treated as transferred expenditure and paid out of revenue.

Mr. GLYNN.—It will then be taken into consideration subsequently.

Mr. DEAKIN.—We shall have to make arrangements, perhaps, under the Property Acquisition Act, by which we shall pay for the properties in the particular States transferred to the Commonwealth. We could then pay back to the States the money now expended out of revenue, so that the proposal of the honorable and learned member would be legal and ultimately equitable. The proposal of the Government is not based upon the assertion of a legal principle, but the contention that it would be inexpedient, impolitic, and inconsiderate if at this moment, when four of the States are struggling with financial difficulties, we diminished the return to be made to them by spending revenue upon works, instead of postponing the payment for them to a time when the States will have more or less emerged from their difficulties. The Government contend that their policy is justified out of consideration for the position of the States, and will be regarded by the

States Governments as a proof of our sympathy with their trials, and of our willingness to interpret the Constitution, wherever we reasonably can, so as to make retrenchment and taxation more gradual. The matter should be gravely weighed by honorable members. They must decide how far it is consistent with their obligations to their constituents to recognise that the Constitution provides for an interregnum in financial administration, and whether it is fair and reasonable to agree to a special policy for that period which need not be afterwards continued.

Mr. HUME COOK.—Which is the more honorable policy, for the Commonwealth to intervene with a loan, or for the States to levy taxation to make good their deficits?

Mr. DEAKIN.—That scarcely puts the position, because practically all the States Governments are about to increase their taxation and to retrench their expenditure. The question is whether we shall give them time in which to gradually adjust their finances to the new state of affairs. This occasion marks no mere incidental or accidental change. Either with or without federation, the States would have found themselves confronted with the difficulties which they now have to face, and with the necessity for new financial methods.

Mr. MAUGER.—Surely a loan of £500,000 would not help them out of those difficulties?

Mr. DEAKIN.—It would tide them over for a year or two by making things easier. Honorable members who vote for the loan may do so legitimately, on the ground that one of the implications of the Constitution is that for five years we should shape our financial policy in recognition of the fact that the States are financially independent, and require to be treated as separate units. After that period the Commonwealth will deal with its finances considering only the circumstances of the citizens of Australia as a whole. It will not seek to distinguish between those of one State and those of another.

Mr. HIGGINS.—We shall have to regard the solvency of the States at the end of the ten year period, as now. We shall have to find enough money to keep the States solvent.

Mr. DEAKIN.—Yes; but my proposition implies that when the Commonwealth reaches its financial maturity, which, under the Constitution, it will do at the end of

even years after its inauguration, it is able to deal with its revenues without restrictions of sub-section (87), and bookkeeping sections, solely in the interests of Australia as a whole. That only a serious alteration of the relations and functions of the States and Commonwealth.

WATSON.—Are we, in guaranteeing agency of the States, to overlook their future?

O'MALLEY.—The borrowing powers of the States of the American union are limited. Our States can borrow as much as they please, and may find themselves in debt ten years hence.

DEAKIN.—There is in this Parliament a healthy reaction against borrowing, but no one will say that it must be put to all Australian States where the loans are for justifiable purposes.

G. B. EDWARDS.—No one has said

DEAKIN.—If, under the Australian Constitution, we look forward to borrowing in the future we may regard, without misgiving, the present small proposal for the purpose of granting assistance to the smaller States which are in difficulties. The present concession to them is strongly commended to honorable members on this subject alone, but it is also an expedient, proper and profitable. It implies a change of view of our relations with the Commonwealth Governments. It would show to the smaller States at least as much, if not more, concern than they are inclined to extend. We shall set the States a good example by proving to them that we are willing, in order to meet the exigencies of the case, to adopt a course diametrically opposite to the policy which we would prefer to follow. This loan would assist the States during the intermediate period for which they are individually and severally responsible, lightening their individual burdens for next year or two. This is to be accomplished by constructing, at the expense of the Commonwealth, works which, if not paid out at the cost of the people of the smaller States in which they are to be constructed, would increase the necessities for expenditure and taxation. I hope, therefore, that honorable members will not put aside the consideration that is due to the States, now passing through a severe trial.

Mr. JOSEPH COOK (Parramatta).—I am sure that some of the States will be very grateful to the Acting Prime Minister for his candid declaration as to the underlying motive of this proposal. He says that it is intended to tide the States over the intermediate period, until we can obtain absolute control over the finances of the Commonwealth. At the end of the period we may dispense with borrowing, and construct public works out of revenue. In effect the Minister says that the moment we can make some of the States pay for works to be constructed in other States, we shall be able to dispense with borrowed money. Until then, however, the Government propose to continue the system of borrowing in order to assist the States. Surely, if for no other reason than that stated, we should reject the proposal. The Acting Prime Minister says—"It is all very well to contend that these works should be constructed out of revenue. We believe that this is a sound principle, and that we should depart from the old-time methods of borrowing money for the construction of minor works, but we have the smaller States to consider. At present they cannot construct their own works out of their own revenue, but the time will come when we shall be able to appropriate the funds of the larger States for the construction of works in the smaller States." The more honest course would have been to refrain from borrowing altogether. If the smaller States are in need of bequests from the larger States as indicated by the Acting Prime Minister, we might as well begin to pay for their works at the outset. The Minister has given the whole case away by his fatal admissions. The smaller States have not made any advance to us, but the Attorney-General assumes that they would be content to appropriate the revenue of the larger States. In this respect I think he is doing them an injustice.

Mr. POYNTON.—That is not the proposal.

Mr. JOSEPH COOK.—The Acting Prime Minister says that it is necessary to borrow in order to assist the smaller States until the Commonwealth can secure full control of the revenue. Then the works can be dealt with on a *per capita* basis.

Mr. POYNTON.—Each State will be debited with the interest upon the loan money expended within it.

Mr. JOSEPH COOK.—I am quite aware of that; but if the States require to be

tided over a temporary difficulty they should be able to borrow on their own account. They would only be pursuing their settled policies as States, whereas we are now being asked to inaugurate a borrowing policy for the Commonwealth in order to tide some of the States over a difficulty. I do not see how we could make any difference to the States by borrowing money in order to carry out these new works.

Sir GEORGE TURNER.—The States would have not incurred this expenditure out of revenue, if the federation had not taken place. The works would have been provided for out of loans. If we do not borrow the money we shall force the States to borrow for revenue purposes.

Mr. JOSEPH COOK.—They would have borrowed the money in any case. We should ask them to do precisely what they would have done if they had retained control of the works. Under the Government proposal, however, the States which have a surplus would be forced to borrow money which they did not want.

Mr. POYNTON.—That is the trouble ; no sympathy is felt for the States which are in difficulties.

Mr. JOSEPH COOK.—If the honorable member wants sympathy let him ask for it.

Mr. POYNTON.—We are asking for our rights, and not for sympathy or charity.

Mr. JOSEPH COOK.—We are proposing to give the States their rights to the full, and at the same time to conserve our own.

Mr. POYNTON.—The honorable member desires to dictate to the States as to what they should do in this particular matter.

Mr. JOSEPH COOK.—Not at all. We are not dictating to any one, but we are dealing with our own property. The honorable member is crying out for loans, so that additional burdens may be placed upon the people of his State. Already 35 per cent. of the revenue raised in South Australia is applied to the payment of interest on borrowed money.

Mr. POYNTON.—That is not a fair way of putting it. The honorable member should mention what the railways and water works and other similar undertakings are paying in the way of interest.

Mr. JOSEPH COOK.—The revenue from the railways and other reproductive works forms part of the income, and I am

stating the matter fairly when I say that 35 per cent. of the income from all sources is sent away to London to pay the interest on borrowed money.

Mr. POYNTON.—The Government in which the honorable member was a Minister was responsible for heavier borrowings than perhaps any other Ministry in New South Wales.

Mr. JOSEPH COOK.—The honorable member is quite wrong. The Government with which I was associated holds the record for low borrowing. I have pointed out the position of South Australia. Now what is the condition of affairs in New South Wales? I admit that at the present moment New South Wales is a big sinner in this particular respect, and that she has been one for the past two or three years.

Mr. SAWERS.—She was a big sinner when the Government with which the honorable member was associated held office.

Mr. JOSEPH COOK.—I have already told the honorable member that the borrowings of the Government of which I was a member were upon a much lower scale than were those of any previous or succeeding Ministry.

Mr. SAWERS.—They even charged the formation of flower plots in the Botanic Gardens to loan account.

Mr. JOSEPH COOK.—I am not prepared to say whether that was done or not, because I do not know the facts. But if it were, that is a reason why we should now make a new departure, and the honorable member, above all others, should set us an example in that direction. Surely in this new arena he desires to avoid the mistakes which he so vigorously condemns. All I ask is that we shall establish our national life upon a proper basis, and that our expenditure from loan moneys shall be able to stand the test of the strictest scrutiny. Of course, we have received from the Government of New South Wales a certificate of character regarding the way in which matters are being conducted here. I am afraid, however, that such a certificate from that quarter is not of very much value. I am sorry to have to make this admission, but it conveys the truth. The Government of the State which I have the honour to represent will naturally say that the administration of the Commonwealth is being economically conducted, because they themselves have such strange ideas of what economy means. The

in New South Wales is that year she will derive a revenue of £1,000 in excess of what she previously derived. Last year she spent nearly £1,000 of loan moneys, and am I by rushing upon a certain policy to duplicate borrowing? No; whilst New South Wales has such an overflowing revenue, I am in justice to that State countenance adoption of any policy which will add to the interest-bearing burden of the com-

SALMON (Laanecoorie).—I cannot join those who assign as a reason for opposition to the proposal of the Government that borrowing operations can be undertaken by the individual States of the Commonwealth. I have always under the impression that loans could be obtained very much more advantageously by the Commonwealth than by the integral parts of the union. Indeed, one of the reasons why a large number of people are in favour of federation was that under it there would be an opportunity of funding the debts, and thus saving a large sum of money in interest. Of course, that result could only be achieved if the credit of the Commonwealth was greater than that of the individual States composing it.

G. B. EDWARDS.—Keep the list clean.

SALMON.—I am not now dealing with the question of the advisability of borrowing, but with the argument, which has been advanced by some honorable members that by borrowing loan moneys, the Commonwealth is impairing the ability of the States to borrow under better conditions. I am not of that opinion at all, but I am opposed to the proposal of the Government. In this connection, I do not intend to repeat the arguments which have been used, but I cannot refrain from emphasizing one which was used by the honorable and learned member for South Australia, Mr. Glynn, and which I brought under my notice by one of the financiers in Australia. That argument was that if the Commonwealth Government goes upon the money market for a loan of £1,000,000, it will probably have to pay the price to be paid for any future loan for a considerable time. That is an argument of this question which deserves most careful consideration at the hands of honorable members. We must realize that this money, if floated, will not command anything

like the price at which Canada can command money in the British market to-day. There is no reason in the world why the Commonwealth should not occupy just as good a position as does Canada, and it is only precipitancy in rushing upon the market for a small sum under unfavorable conditions that will hamper our future operations in the direction of funding the debts of the various States, and thus securing a large saving in the amount of interest that is annually sent by Australia to other parts of the world. Under the circumstances, it is well that we should pause. I do not think it is necessary that the States should go upon the money market to borrow. In those States where it is absolutely necessary that certain works should be undertaken, means will be found to pay for them out of the ordinary revenue. But, in going through the schedule to the Loan Bill, I was struck by the number of works which are not absolutely necessary, and which need not be carried out for very many years to come—works such as the undergrounding of the telephone wires.

Sir MALCOLM McEACHARN.—The sooner that is undertaken the better.

Mr. SALMON.—That is so; but is the Commonwealth to borrow money to undertake it?

Sir MALCOLM McEACHARN.—The adoption of that system would result in an increase of revenue.

Mr. SALMON.—I quite agree with the honorable member for Melbourne that its adoption would probably result in an increased revenue; but that revenue would not be anything like sufficient to justify us in borrowing money at the present time to carry out the work. The States would not be inconvenienced if a large number of the works enumerated in the schedule were deferred—say for ten years—until the Commonwealth reached the position to which the Attorney-General made reference this afternoon. Opposed as I am to perpetuating a principle which in the State Parliament I always condemned—the principle of borrowing—I do not feel that I have any reason to alter my attitude on this occasion. Indeed, I feel that the present position of the States furnishes a very strong argument in favour of maintaining that attitude.

Mr. G. B. EDWARDS (South Sydney).—I recognise that this question is one of the most important with which Parliament

has to deal. There is a very substantial principle at stake, and the interests of a number of States have to be seriously considered. I regret that Ministers have not given us that light and leading upon this question which we had a reasonable right to expect from them. The Treasurer, who is one of our most trusted public men, and upon whose judgment in matters of this sort we rely with the utmost confidence, has put a proposal before the committee, and has declared that he requires light and leading from honorable members, instead of imparting it to them. I do not think that is a proper attitude to adopt, because, although the Opposition has been charged with a lack of constructive ability, if Parliament decides that it is unwise to borrow, the Opposition is not in a position to indicate what measures should be introduced to enable the Government to carry out the public works proposed without the aid of loan money. The Opposition is not even in a position to submit a proposal for carrying out a certain section of the Constitution which provides for the granting of assistance to the States during the few years in which their finances may be embarrassed. That is why I complain that Ministers have given honorable members such very little light and leading upon this vexed matter. To a very great extent I think that it is a question as between the present generation and posterity; and although a certain well-known writer has said—"Hang posterity. What has posterity done for me?" I say that this Parliament represents posterity to a degree that no future Parliament will represent it. We are laying the foundations of the future, and if inconsiderately we adopt a policy of borrowing to carry out these somewhat insignificant works, we shall do something for which posterity will have good reason to curse us. I do not say that we ought not to borrow under any circumstances. I think that would be a somewhat narrow-minded view to adopt. But there is a broad distinction between admitting that for certain national works requiring a very large expenditure we should borrow, and adopting the other extreme by declaring that for the construction of every work which will last longer than a year, we are justified in increasing our national indebtedness. The Attorney-General, this afternoon, delivered a speech which augurs well for the way in which he will grace the office of a Judge of the High Court when

that tribunal is established. A more judicial speech I never heard. He showed us the rights and wrongs of this question. He balanced them and exposed all the surrounding difficulties. Some of those difficulties are so great as to make me doubtful whether I ought not to support the measure proposed by the Treasurer. I do not look at this question from the point of view of how it affects any particular State, but from that of how it affects the whole of the States. I admit that I have been somewhat grieved to find that some of our financial operations are creating a certain amount of friction and difficulty in some of the States. On the other hand, we ought to be very careful lest we remedy those difficulties too easily, because there are certain responsibilities connected with matters of finance which ought properly to be thrown upon the States as States. It will never do for this Parliament to say to the States, "We will meet all the difficulties which you choose to create," because by so doing we should only be accentuating the weakest feature in our Constitution. That feature is the provision that for all time the States Treasurers, in making their financial arrangements, must be in touch with the Treasurer of the Commonwealth. It is one of the weak points of the Constitution that this should be so, and, in view of the fact, we are bound to take care that we do not in any way unnecessarily upset the financial arrangements of the States. Consequently, when I come to a proposal to carry out certain works, which in the past have been defrayed by recourse to loans, I have to consider whether, in reforming the procedure, we may not be casting a great burden on the States. But, on careful consideration of the whole question, I have come to the determination that, for many reasons, it would be far wiser for us to refuse to go into the money market at the present time. First of all, I do not think it is necessary that we should spend this sum of £500,000 on works. It is not at all likely that between now and the 30th June next we shall spend even one-half of that amount, and, consequently, we need not make provision to the extent now proposed. In the second place, it will be eminently disastrous to probable future financial operations of the Commonwealth if we go into the money market of the world, or even if we borrow locally so insignificant a sum as £500,000, and thus set, as it were, a low standard of

due. It is unreasonable to expect such a borrowing will not prejudice future financial operations we may be to undertake. I believe that we are justified in borrowing money for Government works such as the Commonwealth will ultimately have to undertake, such as railway construction and conservation for the purpose of making our great rivers navigable; but I do not think that the items which the Treasurer proposed in the schedule would justify borrowing on the part of even the States Governments who in the past have gone further in that direction than the Commonwealth intended to go. The schedule provides for laying telegraph wires in tunnels, which is only to replace overhead wires which are now discarded. Then proposals made for the extension of the telegraph; but this may be regarded as necessary maintenance, and a similar remark may be made in regard to the switchboards which are to replace appliances which are by experience to be utterly unfit for increasing requirements in growing works.

There are several other items which, I believe, in five out of the six States, less consideration is given to such items than I hope we shall give, would be added to. But, apart from all this, it is to us, in the early days of federation, a policy of borrowing quite as much to protect the States Governments in the difficulties which may arise from this expenditure being met out of current revenue.

Throughout most of the States the Commonwealth would be utterly unprepared if it were found that we had not thus early into a policy of borrowing at a time when the States are coming how enormous has become the amount of debt throughout Australia. Later the Commonwealth will have to consider the question of consolidating the debts of the States. We shall also have to consider the taking over of the railways, and, finally, the question of granting financial assistance in some way to some of the States whose calculations have been upset by the operation of federation. Under the circumstances, we can very well postpone the question until Ministers have had time and opportunity, not yet afforded them, of considering the broader questions of finance which must inevitably arise. If we have to consider, as I believe we shall, the funding of the debts of the various States, we had better

keep a "clean sheet" until that time arrives, and thus be enabled to go into the markets of the world with a better chance of obtaining money on the very best possible terms. I do not believe that we should be bound by the current rates on borrowed capital. I see no reason why, in the near future, the Commonwealth should not be able to borrow money at rates on a par with those ruling for British Consols. The security in Australia is ample. The leader of the Opposition pointed out the other day that most of our debt has been incurred for the construction of railways, the value of which, so long as they are well maintained, must increase from year to year. I do not think the British money-lenders, or money-lenders in any part of the world, would ever be afraid to lend money to federated Australia, so long as we show in our financial operations that we are governed by reason and caution, and are determined to see that our present debt is not added to unless for the purpose of large national works. I am not opposed to borrowing, but I am opposed to this proposed Loan Bill. I believe that for great national reproductive works we shall have to borrow, but the debt thus incurred should be looked upon as irredeemable—a debt without a sinking fund, and not to be taken up at a future date—a funded debt, which may be permanent, with the knowledge that we have a *quid pro quo* to enable us to pay the interest, and something more.

MR. WATSON.—Why leave the debt for ever? There is no virtue in having a debt.

MR. G. B. EDWARDS.—I shall endeavour to explain the virtue of a permanent debt. If we borrow to-day at $3\frac{1}{2}$ per cent., with a minimum of £99 or £98, we are, by renewing and selling at a price slightly under par—because that seems to be the idea and object of financiers—constantly adding to the debt, while not constantly adding to the securities. When we go in for a sinking fund and for redeeming debts, the circumstances are often made an excuse for borrowing for purposes which would not be contemplated if we had an irredeemable debt. Redeemable debts are often an excuse for meeting, out of loans, expenditure which ought to be met out of revenue, and Treasurers often make use of sinking funds in the production of surpluses from time to time. In this way arise many of the evils and errors of financing which in the past have been exhibited in the

States. If a work is of such a temporary character that it may exhaust itself in a few years, the cost of its construction ought to be met out of revenue; and such a policy would place us in a sounder position, and ultimately enable us to save money. If the works now proposed be constructed out of loan money, and £500,000 a year be borrowed for 40 years, we shall probably have works which cost £20,000,000; but, as experience in the past has shown, we shall not have £20,000,000 worth of works. The principle which underlies the policy of borrowing is that population and the means of paying increase with the growing volume of interest. That justifies the handing of debts on from one generation to another, and the generation which receives a debt in this way feels justified in passing it on to its successors. But where the policy miserably fails, so far as Australian experience goes, is that many of the works get worn out or become obsolete, and have to be replaced by some better invention. Works thus really pass out of being, and are no longer held as securities for the debts. In the case of railways, by keeping up the permanent way and renewing the rolling stock from time to time, we always have the value of the money originally spent. But buildings and some of the defence works, water conservation works, telegraph lines, telephones, and so forth, pass away while the debt remains for ever as a charge on posterity. It is for these reasons that, after carefully considering the troubles which may arise, I feel disinclined to support the Government proposal. I would rather go to the extent of further embarrassing the finances of some of the States than support a measure the effect of which will be to plunge the Commonwealth into that policy of borrowing which has had such disastrous effects on the separate States in the past. If it should prove necessary to grant financial assistance to the States, under the provision in the Constitution, I am quite willing that the surplus which would otherwise go to New South Wales should be reduced to some extent; but what form that assistance should take, it is not for me to say. Some of the States that have suffered by the financial operations of the Commonwealth, or which fancy they have suffered, declare that they are not prepared to take charity—that if it be a case of lending money they might just as well borrow on their own account. But

Mr. G. B. Edwards.

there are many ways in which temporary assistance could be given to the States. Such assistance might in the first instance be granted out of the sums to be received by the larger States which are better off, and that money will ultimately be returned to them. I see no reason why the embarrassed States should not have more consideration than anybody has yet seemed disposed to give them. Under the Constitution we give considerable financial assistance to Western Australia, an assistance which, I believe, is far greater than any one expected when the matter was decided at the Convention; indeed, in my opinion, it is proving greater than the State authorities of Western Australia expected.

Sir GEORGE TURNER.—Western Australia could not have come into the federation without that assistance.

Mr. G. B. EDWARDS.—That may be; but having granted that considerable concession, in order to obtain complete union, we might, out of a sense of justice, in any way the Government think wise, grant assistance to the States which may suffer during the first years of federation. Personally, I am quite prepared to support any liberal measure for tiding States like Queensland and Tasmania over a few years of difficulty. I would go further, and say that, even in the Federal Government, we have not gone as far as we might in the way of economy in some of the States which now suffer, or appear to suffer, from the operation of federation in the transferred departments. In looking through the Estimates, it seems to me that there is plenty of room for further reduction in the expenditure on some of the transferred services in Queensland.

Sir GEORGE TURNER.—I should be glad if the honorable member would mark the Estimates for me.

Mr. G. B. EDWARDS.—Unfortunately, honorable members agreed to waive their right of discussing the Treasurer's Budget speech.

Sir GEORGE TURNER.—But if the honorable member will mark his copy of the Estimates, and hand it to me, I shall consider the hints he gives.

Mr. G. B. EDWARDS.—I cannot inform the Treasurer as to details, but the cost of collecting the customs duties in Queensland seems phenomenally heavy for a much smaller revenue than is obtained in several of the other States.

Mr. A. PATERSON.—There is an enormous line in Queensland.

Mr. G. B. EDWARDS.—That may be so, in the Customs department there is room for economy, as there is also in the Postal department. If the financial straits are so great represented in several of the States, we should pause and consider whether it is not necessary to defer the construction of the proposed works until times improve. I admit that many of the works should be readily undertaken, and that we may look to them for increased revenue in the future; but if we cannot afford to meet the cost of all our revenue without dislocating the finances of the States, it would be better to defer them for a few years until the States can afford to have them carried out without recourse to borrowing.

Sir GEORGE TURNER.—I have already said that we must do that.

Mr. G. B. EDWARDS.—It will be far better to resort to any scheme honorable members like, rather than plunge this Commonwealth in the first year of its existence into that policy of borrowing which has been so disastrous in the States.

Mr. HIGGINS (Northern Melbourne).—It is quite refreshing to hear member after member speaking so strongly against the policy of borrowing. The Treasurer will bear me out when I remind him that in the Victorian State Parliament I used to inveigh against him in regard to his recklessness in borrowing.

Sir GEORGE TURNER.—Others used to inveigh against me because I did not borrow enough.

Mr. HIGGINS.—I never did.

Sir GEORGE TURNER.—No; but the great majority did.

Mr. HIGGINS.—In those days, when I found the Treasurer straying from the right path of public policy, I attacked him occasionally—I hope not too bitterly. I regret that the debate should have taken place at this stage without notice. Perhaps, however, that was a wily design of the Treasurer to cause the speeches to be short.

Sir GEORGE TURNER.—I gave notice through the press that I intended to bring this matter to-day. I forgot it when the adjournment took place on Friday, but I got a paragraph put in the newspapers.

Mr. HIGGINS.—This is no doubt one of the gravest subjects that has occupied the attention of this Parliament. Other subjects have been grave, but this question

of the financial position of the Commonwealth goes to the very root of our policy; and I think that honorable members have not gone too far in applying to this pressing problem their best theories. At the same time I feel that upon the whole rather too much theory has been advanced this afternoon. We have an urgent problem of practical government that has to be solved, and solved very quickly. The honorable member for South Australia, Mr. Poynton, who has spoken so well for his own State, has looked at her position solely, and urges that it would be more convenient for the South Australian Treasurer to continue to borrow than to impose more taxation. I consider that it has been quite proper for honorable members to look at the wants of the Treasurers of their several States. The matter becomes one of balancing practice and theory. Everybody appears, curiously enough, to be, in theory, against borrowing.

Mr. L. E. GROOM.—Not against borrowing absolutely, but against borrowing for unproductive works.

Mr. HIGGINS.—The Acting Prime Minister's argument, which was very nice and pleasant as usual, really came to this: Borrowing is a very bad thing—let us do it now, and possibly not do it again. The Acting Prime Minister referred to the hard times. These are hard times, but I never knew a Treasurer or a Minister yet who could not point to something hard in the times when it was sought to justify the borrowing policy. If people want to borrow they can easily find something in the times hard enough to justify it. I was not impressed by the distinction which the Acting Prime Minister drew between the first ten years and the after time, because, although there is no rigid limitation, yet after that period has expired, the duty will still remain as stern and uncompromising as ever for the Commonwealth to finance the States and keep them solvent. There is no doubt whatever that this is one of the defects of our Constitution—a defect of which, with my poor power of foresight, I am unable to see the ultimate solution. It is one of the great defects that our States should have to depend upon the Commonwealth for their solvency, and that while for the first ten years or so we have to return to each State its own surplus, when the ten years are up the balance has to be returned to the different States as Parliament

may direct. We are getting on pretty smoothly at present, but when it comes to be a question of grab between the different States after the ten years have expired—a question as to how much each State shall get—I do not view the prospect with anything like pleasure or equanimity.

Mr. WILKS.—The “federal spirit” will come in then.

Mr. HIGGINS.—I hope the honorable member will develop more of the federal spirit and exhibit it. The question here is—Are we to borrow £500,000 or so for the proposed public works? If one looks at these works, what are they? I find here the item “common battery switchboard.”

Mr. WATSON.—That has been withdrawn.

Mr. HIGGINS.—There is also an item for the construction of telegraph lines. Then there is the line—

Sydney General Post-office, additions thereto, and works in connexion therewith.

Sir GEORGE TURNER.—Those works were going on when federation took place.

Mr. HIGGINS.—It is delightfully vague, of course. There is also the item—

Alterations in connexion with new telephone switchboard.

Sir GEORGE TURNER.—That is an alteration of the building to enable the switchboard to be erected.

Mr. HIGGINS.—Is it to be paid for out of loan money?

Sir GEORGE TURNER.—Yes.

Mr. HIGGINS.—Then there is—

Proportion of cost of constructing telephone lines between Sydney and Melbourne, £34,000.

Erection of public and private telegraph and telephone guarantee lines, £8,500.

Common battery switchboard, £30,000.

Sir GEORGE TURNER.—The last item is on the revenue Estimates now.

Mr. HIGGINS.—I am very glad that we have succeeded in shifting some of these items on to the revenue Estimates.

Mr. WATSON.—Yes, considering that the switchboards were to replace other switchboards paid for out of loans.

Sir GEORGE TURNER.—Not in Victoria; we paid for them out of revenue.

Mr. HIGGINS.—Then the schedule speaks of—

Construction and extension of telegraph and telephone lines, cable, instruments, and material, £10,000

for Tasmania. These are samples of the kind of work to be done. The particulars

with regard to buildings are most delightfully vague as to whether what is proposed is in the nature of additions, or is intended to replace older buildings. If there is one thing upon which the best thinkers on public finance agree more clearly than another, it is that such things as these should not be paid for out of loan money. There is no provision for any sinking fund to meet the repayments. Here is what Professor Bastable has said at page 550 of his *Public Finance*—

Outlay on public works is not, of itself, and apart from the revenue to be thence derived, different from the cost of war or other unproductive expenditure. No readier or more dangerous mode of increasing debt can be found than the execution of works which are not economically productive.

—He explains “economically productive” as “yielding interest” —

Vague assertions of indirect benefits should not be allowed to conceal the fact that “improvements” of this kind should be paid out of income, and cannot be regarded as investments in the proper sense of the term.

That is only one of a number of statements from eminent thinkers which are of the same purport. What, after all, is the object of borrowing in place of paying out of revenue? The object is to relieve the taxpayers of the current year—to prevent the taxpayers from having to pay too large a proportion during the current year. That policy has been a ghastly failure, even for its professed purpose. Of course, as the honorable member for South Sydney—whom we might call the member for Posterity—has said, all this burden falls upon those who are to come after us. But even as regards the present generation of taxpayers, the borrowing policy is very bad policy indeed. When I was in the Victorian Parliament, I got from the Treasurer a return of the interest and expenses in connexion with Victorian loans up to the 30th June, 1898. At that time the Victorian public debt was about £49,000,000; but the interest that had been paid was almost exactly £40,000,000; and the expenses amounted to £507,356. In “expenses” were included all discounts, commissions, and so forth. There have been four years since then, during which time Victoria has been paying in interest at the rate of £2,300,000 per annum.

Mr. L. E. GROOM.—Does that return show the money received from the works upon which the loans have been spent?

HIGGINS.—No. We have been getting at the rate of about £2,300,000 a year, and the result now is that the interest that has been paid by the taxpayer is about equal to the full amount of the public

GEORGE TURNER.—Could the country have been developed if this money had not been borrowed for railways and other

HIGGINS.—There may be a good deal to be said from that point of view. I am only saying that even as regards reproductive public works, it is by no means clear that borrowing policy is a sound one in the long run.

GEORGE TURNER.—The honorable and learned member leaves out the money required to help to pay the interest.

HIGGINS.—That does not interfere with what I am saying.

GEORGE TURNER.—The honorable and learned member forgets that we have repaid large sums of money.

HIGGINS.—The position is, however, that the country could have got the money for public works, like railways, by borrowing from the taxpayers exactly the same amount that it has borrowed.

GEORGE TURNER.—But the country does not get the necessary income.

HIGGINS.—Assuming that the £2,300,000 expended upon public works has been taken out of revenue, we should have had all the profit from those public works which we have now, and we should not have had the capital debt which we have now for us.

MALCOLM MCEACHARN.—The works have not been built.

HIGGINS.—That may be. I am putting forward a very simple proposition. I am very glad that the motion against the necessity to borrow money has come from the opposition party which has been so much in the wrong of extravagance. I have conceived the accusation is wholly unjust. I use a very strong word, and say that it is prudent. The party of extravagance is the party of borrowing, and the party of prudence is the party that wishes to send up the prices of the lands of this country. Boom and borrowing go together. It is, to my mind, a very hopeful sign that the movement against borrowing has come from those who are most accused, and most unjustly so, of extravagance. The huge interest payments which we have to make are

the real cause of our extravagance. We have in Victoria an annual expenditure of between £6,000,000 and £7,000,000, and one-third of that amount—£2,300,000—represents payments for interest alone.

Sir GEORGE TURNER.—£1,900,000.

Mr. HIGGINS.—Not at present. I have seen the returns, and the amount is what I have stated. Of course the right honorable gentleman ought to know more about the matter than I do.

Sir GEORGE TURNER.—It is only £1,900,000.

Mr. POYNTON.—Has not the expenditure of the principal moneys created avenues of employment for thousands of people?

Mr. HIGGINS.—I sincerely hope that it has. What I was saying was that if the whole £49,000,000 which we have spent out of loan moneys had been taken from revenue we should have had the same advantages—the same opening up of the country, the same advantage from profitable lines that we now enjoy. We should have had less cost, and no capital debt. This system of borrowing is the real cause of our economical and financial difficulties. The result of borrowing is to hamper and cramp us in our annual expenditure of the moneys requisite for the purpose of furthering social development, and to advance all civilization. I admit that there would not be very much harm in having recourse to loans if our population were increasing. I think that in this House I referred not long since to an article by Sir Francis Dillon Bell, then Agent-General for New Zealand, which was published about twenty years ago in an English review. In dealing with the borrowings of the colonies, he said in effect in that article—"I expect that by the year 1900 Australasia will have borrowed £200,000,000. But there will be no harm in that. By that time the population of Australasia will be 25,000,000." We have borrowed the £200,000,000, and more, but we have not the population of 25,000,000. It is about time for us to take some care in regard to the system of borrowing when we find our population increasing so slowly, if at all; when we find the manhood of our States flocking over to South Africa in large numbers, and when we find that Australasia has borrowed something like £260,000,000, while the total population is only about 5,000,000.

Mr. MACDONALD-PATERSON.—We do not borrow on the security of the population, but on the security of our public lands and works.

Mr. HIGGINS.—If the population left Australia we should be able to test the value of our public lands as a security. I would remind my honorable and learned friend of a story by Max Adeler, in which he describes a town, called Goldtown, that was raised in one of the western States. Upon the discovery of gold in the district a big rush took place. At first there were tents, then houses, and then streets. Next there came a corporation and a mayor, and then the corporation began to borrow. They caused splendid bonds to be prepared, with the names of the mayor, aldermen, and councillors of Goldtown emblazoned amid big flourishes upon them. The bonds were sent to Holland, where they were eagerly taken up, somewhat at a premium. By-and-by, however, the gold gave out, every one gradually went away, and the only one left to pay off the huge debt due under the magnificent bonds was an old negro resting on a stump. If the State of Queensland is to follow the advice of the honorable and learned member for Brisbane, it will find that a blackfellow resting on a stump will be the only person left to pay. It is not safe to go on borrowing unless the population increases. I might remind the honorable and learned member for Brisbane that the most progressive little country in the world is Japan. Of late years it has been called upon to meet modern conditions, but it has a debt less than that of Victoria, although most of its railways are public property.

Sir MALCOLM McEACHARN. — All its railways are not public property.

Mr. HIGGINS.—There are some privately-owned lines, but, at all events, the Japanese Government do construct railways. Within the last 33 years they have paid off £11,000,000, although during that time they have had a most expensive war. There is no war so expensive as a naval war, and some few years ago Japan had to go to war with China with a full equipment of ships.

Mr. POYNTON.—There is a slight difference between the population of Japan and that of Victoria.

Mr. HIGGINS.—Although Japan has such a large population, it has a very small public debt.

Mr. POYNTON.—There is also a difference between the way in which the respective populations live.

Sir MALCOLM McEACHARN.—The people of Japan are perfectly happy.

Mr. HIGGINS.—I should like to sum up what I feel with regard to this proposal. I think first that that organization should borrow which needs to borrow. The Government are doing a great deal of harm to the Commonwealth, in the eyes of public men and financiers, in proposing to bring down a Bill to provide for a loan of £500,000 when they have not even spent the income which they have in hand. Injury has been inflicted already, but we shall be injured to a still further degree if the Bill is passed. What a pawky, miserable, niggling thing it would be if, after all the blowing and flourishing of trumpets which have taken place, the Commonwealth were to ask in London, or even in Australia, for a loan of £500,000! It injures a body which desires to raise money if it begins to borrow in this niggling way. Secondly, I consider that the present is a distinctly bad time for borrowing. The Victorian Government recently borrowed money, and obtained only about £92 per £100.

Mr. POYNTON.—Upon another occasion it obtained only £82 10s.

Mr. HIGGINS.—The honorable member was once a Victorian, and the borrowing happened a long time before he left this State.

Mr. POYNTON.—No. It was after my departure.

Mr. HIGGINS.—The system of borrowing in a small way is very injurious to our standing. We should nurse our credit as a sacred treasure for use in extreme emergency. I take it that we shall have some of these days great use for borrowed money. Among other works which we hear discussed is the building of the federal capital.

Mr. POYNTON.—And a trans-continental railway.

Mr. HIGGINS.—Yes. It is also said that there must be a High Court, which I do not think is necessary at the present time; and an Inter-State Commission is also proposed. It is a rather unpleasant prospect, but I can clearly foresee that next year the federal expenditure will be more than it will be for the present year. We ought not lightly to handle the credit of Australia. We should not handle it

for great purposes. I take it that if we make a new departure, now is the time to do so. I know very well that to stop borrowing is very hard for those who have to struggle to make expenditure and revenue balance at present time, but there is a greater reason to put before us. In starting the Commonwealth we are instituting precedent and we do not want to have it said that the first Parliament borrowed money for the purpose of putting down telephone lines between one city and another. To say that it takes the trouble to look into the matter must appear very bad to be talking about this loan when we have not yet had income. Such a person would say—“You have not spent the money out of the revenue to which you are

POYNTON.—According to the honorable member's argument, it is a virtue to borrow £10,000,000, and to borrow £500,000.

IGGINS.—I have not said that it is a virtue to raise any sum. I have said when we do borrow it must be because of great pressure, and for a great reason it came to a question of national credit. We should be justified in borrowing for a very good end of our credit, in order to be in a position to defend ourselves. We should not borrow except in extreme cases, and, above all, we should not go to the money market as making an application for its favours in return for a sum of £500,000.

SKENE (Grampians).—I fully understand the difficulties which surround the question, and which have been so ably explained by speakers who have preceded me. There is another difficulty which has not been mentioned before in this House by honorable members as well as by myself. It is the danger of handing back too much money for State Treasurers to spend. It appeals to me most forcibly in connection with this matter is the fact that by giving this £500,000 we shall only have a small amount of money to hand back to the Treasurers. The Treasurer has estimated that he will receive in revenue over and above the amount of money required for carrying on of the Government of the Commonwealth, a sum of £915,000. A sum of £575,000 is borrowed, and the balance amount will have to be handed back to the people from whom it was

collected, but to the Treasurers of the States.

Mr. POYNTON.—Almost the whole of it will go to one State.

Mr. SKENE.—No; it will go to each State in proportion. I am inclined to agree with the honorable and learned member for Brisbane that we ought not to go in for new public works too hurriedly, but that we should for some time be content with the existing conveniences for carrying on the Government. I would remind honorable members that if this proposed expenditure is defrayed from revenue there will still be a sum of £340,000 to be returned to the States, and that will greatly tend to reduce the indebtedness of the two States which have been specially referred to.

Sir GEORGE TURNER.—In the case of Queensland we are going to hand back only £7,000 more than the one-fourth. The honorable member is dealing with the Commonwealth as a whole, but this matter must also be considered from the point of view of the individual States.

Mr. SKENE.—The honorable member for South Sydney drew attention to section 96 of the Constitution under which financial assistance may be given to a State. I presume that section was placed in the Constitution for some good purpose, and if it is ever to be operative, the present is a good opportunity to put it into operation. The Acting Prime Minister said we should wait until we are asked, but I reply that we should act when we see that there is a necessity for action. The States at the present time are proposing means of their own by which to work out their financial salvation, and those means will not involve additional taxation upon the people. We shall be imposing additional taxation if, as proposed, we carry out these works from loan.

Mr. POYNTON.—So will the States if they are carried out from revenue.

Mr. SKENE.—After all, if we go back to the position of Tasmania and, Queensland, the two States most affected, in order to return them back £135,000, we shall have to return a great deal of money to the other States—£228,000 to New South Wales, £122,000 to Victoria, and so on. It seems to me that until a real exigency for borrowing arises, we might very well carry out necessary public works from revenue. At the end of the next financial year we shall better understand the methods to adopt. If it were not for the fact that all this money

will have to be handed back to the States Treasurers, to be squandered, as, I am sorry to say, it probably will be in some instances, or spent in some direction diametrically opposed to the wishes of the people, I should not be in favour of carrying out any new public works at the present time. For many years we have done without a telephone between Sydney and Melbourne, which, it is estimated, will cost £50,000. We have a telephone system established in Melbourne, which has served fairly well, and I really believe that a little better administration in some of the departments would be of more advantage than new instruments. The States are trying to work out their own financial salvation without resorting to extra taxation, and we ought not to encourage them by dependence on what they are to receive from the Commonwealth to return to the old lines of extravagance. The honorable and learned member for Northern Melbourne referred to the landed people as the people who are going in for borrowing and booming.

Mr. HIGGINS.—No ; I did not.

Mr. SKENE.—I understood the honorable and learned member to say that it is the labour party who are now going in for retrenchment, and that the people on the land are going in for booming.

Mr. HIGGINS.—No ; I said the wealthy classes were the boomers.

Mr. SKENE.—I am sorry I misunderstood the honorable and learned member: I, at all events, am not an advocate of booming, and I say it is the people in the country districts who are now trying to diminish expenditure.

Mr. POYNTON.—But not in their own particular districts.

Mr. SKENE.—That difficulty will settle itself, and I think we shall find that the people of the country districts in Victoria will vote for a system of retrenchment.

Mr. POYNTON.—They are advocates for the borrowing of money.

Mr. SKENE.—The time may come when it will be necessary to borrow some money. But I think we may well wait until we see that there is a greater necessity to do so than exists at the present time. So long as we have £915,000 of surplus revenue in the year, such public works as are here proposed should be constructed out of revenue.

Mr. WILKS (Dalley).—I have listened attentively to the debate, and in the last two speakers, the honorable and learned

member for Northern Melbourne and the honorable member for Grampians, we have a legal man on the one side and a commercially-trained man on the other, recommending honorable members not to encourage a loan system for the Commonwealth. The honorable and learned member for Northern Melbourne gave us a long, theoretical speech to show why loans are objectionable. But we know, from our experience in the various States, that the cry of the people is that the system of borrowing shall cease. We have now also a commercially-trained gentleman like the honorable member for Grampians advising the committee most strongly against borrowing, because at the end of the year we shall have a surplus of £915,000 derived from revenue. The honorable member points out that this is not the time to initiate the borrowing system. It is, indeed, remarkable that the Ministry, on a matter of vital policy, have not allowed the House to decide, by accepting or rejecting a Bill, whether the Commonwealth shall go in for a borrowing policy or not. They have practically "side-tracked" the House, probably because it is assumed that honorable members at the end of the session may be willing to be "side-tracked" into discussing a matter of policy under cover of an item on the Estimates. I should think that is unparalleled in the history of Australian Parliaments. It may have been the practice in Victoria, but it has never been the practice in any of the other States. The honorable member for Melbourne Ports assumes that anything which is said against Ministers is a joke. Responsible Government may be a joke to the honorable member, because, so far as he and his friends are concerned, they have governed this State irrespective of responsible Government. But it is not a joke to representatives from the other States, or to the people of Australia, to learn that the Commonwealth Ministry, instead of testing this question on a Bill as a matter of policy, are sheltering themselves under cover of an item in the Estimates. Were it not that after so long a session honorable members are tired and are anxious to get to their homes, it is quite possible that this proposal would have been met by a motion of censure. I think that at this stage of our history the Commonwealth should not enter upon a borrowing policy upon the lines laid down by Ministers.

treasurer says that he is against the practice, and that the Ministry are opposed to the practice of it. He has shown that these Estimates are opposed to the practice by in- in these Estimates a number of to be constructed out of revenue in the past, it has been the practice of Governments to construct out of revenue and because it is proposed that one of the works referred to on the Estimates should be constructed out of revenue, Ministers take to themselves the flattering idea that they are proposing half a revolution. The Treasurer has told us that if he had his own way he would not do it at all.

GEORGE TURNER.—I would not agree with you in Victoria, and I used to be in consequence.

WILKS.—I think the right honorable gentleman was correct. He says that he yelled at in Victoria because he did not borrow, but to-day the Victorian and the Victorian press affirm the honorable gentleman's non-borrowing. In interjecting during the speech of the honorable member for Northern Melbourne, I meant no reflection upon him when I said she could not float her ship. What I meant was that even the ships were flying the stand-off signal. Orders of money in Lombard-street were flying the stand-off signal in August and the people of Victoria, knowing the operations of government, refused to be deceived.

GEORGE TURNER.—They did not receive a Government loan in Victoria.

WILKS.—The right honorable gentleman knows that it was underwritten for a certain amount, and that only £50,000 was subscribed in the open market, and he has described the treatment which the last Victorian loan received in London.

GEORGE TURNER.—Except for the subscription of loans, Victoria has not borrowed in the London market for ten years. Victoria is not a great sinner in this respect.

WILKS.—I say that the stand-off signal was flying there and here. I admit that New South Wales a little time ago borrowed a loan of £3,000,000, which was subscribed ten times.

JOSEPH COOK.—And spent.

WILKS.—And spent; and that is the reason why representatives from that

State should use every effort to prevent the adoption by the Commonwealth of a system which the people of New South Wales and of the Commonwealth generally are not desirous of continuing. I do not intend to follow the honorable member for Northern Melbourne by picking out certain works, but speaking generally I say that we have yet to learn that the works referred to here are really necessary. It is admitted by the Treasurer and his supporters that many of the works here referred to are not indispensable. Surely, this Ministry does not require to live as State Ministries have lived in the past—on a spirited works policy? Surely, they do not hope to hold office or retain power by the prosecution of a spirited works policy for which excessive borrowing must take place? Surely, the old system prevailing with States Governments has not followed them in here? Surely, no honorable member in this Parliament requires that his electorate should be fed by public expenditure. Surely, in the rarer atmosphere of this Federal Parliament there is not a single honorable member or follower of the Ministry who will urge that because he has secured a large expenditure of public funds in his electorate he is entitled to support? That is a thing of the past. It is one of the evils of State Government, which I hope we are not going to introduce here. I cannot believe that the Ministry are tied to a works policy. They admit that many of these works are not indispensable, and if that is so the remedy is to throw out the Loan Bill, and have all necessary works constructed out of revenue—which the Treasurer has intimated he can do. I do not know whether a single penny has been placed on the Estimates for my electorate, and if it is not required, I do not wish to see that penny there. If any expenditure is required in the electorate for the renovation, and up-keep of any federal buildings, I trust that it will be provided simply to protect public property. I do not wish to go to the Government cap in hand, and to support a policy of borrowing in order that a large sum may be spent in my electorate. The honorable member for South Australia, Mr. Poynton, seems to take the view that the financially powerful States are not treating the financially weaker States in a proper manner. He said that his State would not accept financial assistance from the Commonwealth in order to tide over temporary difficulties. He

says it is an act of charity for the Commonwealth to offer such assistance. It is no act of charity. It is cheaper and better for the Commonwealth to exercise that power than to borrow money for the purpose, while the States are squandering money. No civilized country, with a population of 1,000,000 souls, has ever expended so much money as did New South Wales last year—£15,000,000. Surely the Commonwealth Parliament ought to take a higher stand than do the States Parliaments, and to stop the introduction of a borrowing policy. I wish that the Loan Bill were before the committee, so that the Government could be compelled to declare their policy. I shall vote for the amendment as a distinct protest against a system of borrowing money. I believe that the people of Australia are not prepared to add to the millions of State borrowings by sanctioning a federal era of wasteful expenditure. It is a small sum of £500,000 to-day, but in a year or two this Ministry or some other will ask for a loan of £1,000,000, and in federal politics, as in State politics, Ministerial supporters will be favoured with a lavish expenditure of public funds in their electorates. I think it is wise for the committee to oppose a system of borrowing.

Sir MALCOLM McEACHARN (Melbourne).—If I followed aright the Acting Prime Minister, I should say that the meaning of his speech was that he was hardly in favour of borrowing, but that in consequence of the position of some of the States, it is necessary to bring in a loan Bill.

Mr. PAGE.—Are they insolvent?

Sir MALCOLM McEACHARN.—No, and they are not likely to be insolvent, but some of them are in a very serious position in consequence of lack of revenue from other sources. I cannot go all the way with the honorable member for Bland, because he would not only do without borrowing, but would insist upon all the proposed public works being gone on with. I think it would be extremely unwise for the Government to attempt to raise a loan at the present time. I believe, however, that if the principle were now affirmed that we should borrow, a great many of the items on which it is proposed to expend money would be omitted when they were reached. Queensland, which has been referred to so much, is doing all it can to put its finances

straight, for it is contemplating an income tax. The land in that State is already pretty heavily taxed, and it is going to be taxed still further. The position which any State would take up, if it had not a Federal Government to discuss the question of borrowing, would be to see in what way it could stop its expenditure. It is proposed to expend £150,000 on the erection of a post-office at Brisbane. I know Brisbane pretty well, and I cannot conceive what necessity there is for spending such a large sum there. The proposal now is to spend £25,000, and the additional amount required to complete the work is £125,000.

Sir GEORGE TURNER.—If I recollect aright, they had that item on their own Estimates.

Sir MALCOLM McEACHARN.—I think that if the Queensland people were to consider their own interests, and not the fact that we were likely to borrow the money to enable them to erect these buildings, they would stop the expenditure in view of their present financial position. I shall not deal with the question of the extension of telephones and telegraph lines, which are revenue-producing. If I were in favour of borrowing at all, I should say borrow for that which is revenue-producing, but certainly not for that which is not revenue-producing. I find that there are other items proposed in connexion with telegraphs, amounting to £100,795, so that altogether a sum of about £250,000 will be spent in Queensland.

Sir GEORGE TURNER.—No: £125,795 is the total sum proposed to be spent in Queensland for this year.

Sir MALCOLM McEACHARN.—It must be remembered that if we are to borrow the money which is required for this year, we must borrow the further sums which will be required for the additional works. I think it would be unwise for us to start a borrowing policy, and I quite agree with the honorable and learned member for Northern Melbourne, that it is undignified for a Commonwealth Government to talk of borrowing a sum of £500,000. I am not against borrowing for carrying out large reproductive works, but I am certainly against the borrowing of small sums for constructing that which we should either do without or pay for out of current revenue.

Sir GEORGE TURNER.—In Queensland they cannot do without the proposed extension, if the department is to be properly

ged, and we cannot take the money out of current revenue.

MALCOLM McEACHARN.—Certainly they can do without some of the pro-expenditure. With regard to the items are to be paid for out of revenue, I think that telegraph offices are to go up all over the country. One State is as bad as another in this respect. In New South Wales a number of buildings are to be erected—for instance, at Humula, Newbridge, Nundle, &c. The latter is the only place I know of, and I see no necessity for any expenditure there. In the present state of our affairs, we should not rush into this expenditure. If the money were proposed to be put in my own electorate, I should take a different view. In New South Wales alone £100,000 is to be provided for sundry offices in the mining towns. Again, in the estimates of the defence department, we find many works might be done without. Our proper policy, I contend, is to reduce the items which it is proposed to expend this sum of money and to pay for the rest of the cost out of current revenue.

MCCAY (Corinella).—I must confess I have a strong predisposition, apart from the particular circumstances of any case, to look with great suspicion upon loan proposals. I feel that if it were not for the fact—and I do not know that we can do otherwise—that it is not possible—for the Commonwealth to set out on its career as a non-borrowing community, it would in the end be for the good of the people generally. However much may be said in favour of loan proposals of various kinds, the sanguine expectations formed in many cases are not justified. I have no sympathy with those who are in favour of the loan proposals of the Government because they are so small. In comparing small and large loans the merits are *prima facie* on the side of the latter, and it is quite justified to borrow a small sum as a large one. Even if the dignity of the Commonwealth were in question, the material welfare of the people would not be assisted by borrowing more than is absolutely necessary. On this occasion neither the remarks of the members nor the schedule of the Loan Bill afford sufficient justification for entering upon a borrowing career. I am quite aware that if the Bill is not passed it will be impossible to spend a large sum of money which might otherwise be profitably invested in main works, but I prefer to believe that

the result will not be so injurious to the States concerned as to make it impossible to abstain from borrowing. I recognise that in some instances the works needed cannot be constructed out of revenue at the present juncture. The expenditure of the amount proposed out of revenue in Victoria would add considerably to an already heavy burden, and to the troubles of the Government of the State, which has quite enough on its hands at present. I do not desire to be any party to forcing the States Governments to impose taxation of any kind. I desire that they should be perfectly free so far as that matter is concerned, and if we are to choose between borrowing and leaving the works undone, I feel that the matter is not so urgent but that we can afford in the great majority of cases to allow the undertakings to stand over for a short time. I think that the case in favour of borrowing has still to be made out; and, although I recognise that certain inconveniences, which I regret, will attend our decision not to pass the Loan Bill, I shall vote with those who are opposed to that measure.

Sir LANGDON BONYTHON (South Australia).—I intend to support the Government proposal, but I must confess that I am not particularly enthusiastic about taking this course, because I feel that all the argument is on the other side. I have been for many years, and still am, strongly opposed to heavy borrowing by the Australian States, but I feel that upon this occasion I must bow to the necessities of the Treasurer of South Australia. In the State which I have the honour to represent we have been careful to draw a clear distinction between works which should be constructed with borrowed money and works which should be paid for out of the revenue. In this respect we have been perhaps more particular than some other States. In South Australia, for instance, all replacements have been provided for out of the general revenue. In order to illustrate the care which has been exercised in this regard, I may mention that at the present time a splendid building—the School of Mines and Industries—is being erected in Adelaide at a cost of £35,000, and as a gentleman in South Australia was generous enough to contribute a handsome sum towards the cost of the structure, the Government decided that the rest of the money required should be provided out of the general revenue. In view of these facts it

would be very improper indeed to make the Treasurer of South Australia suffer, by calling upon him to give up a large amount of revenue, which he urgently needs to meet State requirements. I gather from the tenor of the debate that the Loan Bill is not likely to be carried, and I cannot say that I shall altogether regret an adverse decision regarding it. In such an event, however, I shall do my best to see that the general expenditure is so reduced as to minimize as far as possible the inconvenience to the Treasurers of South Australia and other States.

Mr. BATCHELOR (South Australia).—There is something very attractive about the proposal to launch the Commonwealth on its career without resorting to borrowing. I should like to see that idea carried out if it were possible, but I do not regard it as practicable under present conditions. If all our revenues were pooled, I should be happy to assist the Government to dispense with loans altogether, but some of the States are in a very awkward position, and I should not be doing my duty to South Australia if I voted against the Government proposal. If revenue alone is to be available for the construction of new works, a large number, most of which, I think, may be regarded as of a strictly reproductive character, will have to be abandoned for the present. Some of these works are partly constructed, and, for the most part, they are urgently needed—particularly those connected with telephone and telegraph extensions. Although these works would undoubtedly return a great deal more than the interest upon the outlay, South Australia could not provide the money, except at very great inconvenience. The honorable and learned member for Northern Melbourne drew a very attractive picture of the happy position in which we should have found ourselves if all our public works had been constructed out of revenue. We should have saved all the interest that has been paid in years past, and we should have had no public debts. It would be idle to suppose, however, that we should have been able to carry out our public works system upon anything approaching the present scale, or that the country would have been so rapidly developed if we had entirely relied upon revenue. For instance, the Western Australian Government would not have been able to undertake the Coolgardie water supply scheme without resorting to loans.

Mr. FOWLER.—That scheme has not been thoroughly tested yet; it may prove a white elephant after all.

Mr. BATCHELOR.—The scheme itself may not be the very best that could have been devised, but some work to effect the object aimed at was absolutely necessary, and in any case the cost could not have been met out of the Western Australian revenue, buoyant as it is. Many works which may not be directly reproductive are absolutely necessary to enable the business of the country to be carried on. I might point to the overland telegraph line from Adelaide to Port Darwin, which certainly assisted to an immense degree in the development of Australia. It would have been quite impossible for South Australia, or even for the whole of the States to construct that line out of their revenues. In view of these facts, it must be recognised that the speculations of the honorable and learned member for Northern Melbourne have resulted only in the painting of a very pretty picture. It seems to me that the Government proposals are very reasonable. It is proposed to spend out of revenue £180,000 upon works similar to those which have in the past been constructed out of loan moneys. This is a step in the right direction. The items upon which it is proposed to expend loan moneys are for the most part telegraph and telephone extensions, and these are justifiable from a strictly reproductive stand-point. We could better afford to do without new buildings which are intended to replace inferior or inconvenient structures than to dispense with sufficient telegraphic and telephonic extensions. It has been urged that the States which find themselves in financial straits can economise still further, but that does not apply to South Australia, because we have had our noses to the grindstone for ten or twelve years. The South Australian counterpart of the Kyabram movement in Victoria is not a thing of yesterday, but of many years ago. Retrenchment has been carried to an extreme point in that State. We might, by reducing the expenditure upon defences, provide a great part of the money required for new works in some of the States, but, so far as South Australia is concerned, the saving would not be very large if the whole of her defence vote were cut off. That State has been so close in her defence expenditure that the Federal

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ment, while expressing the greatest for economy, have found it necessary to ease it by £7,000 or £8,000 a year. I do not see that that State can do much in the way of retrenchment, but I am sure that if further economies are forced upon it, it will interfere with our system of education, and thus, in bringing about one political reform—the stoppage of borrowing—we shall be doing harm much more important one.

REID.—That is drawing a red line across the trail. Does the honorable member think that the people of South Australia will allow their school system to be cut?

BATCHELOR.—No, but if they have to make still further economies they may have to do so. The New South Wales system of charging fees for the instruction of school children is a very good one.

REID.—The New South Wales system is only 3d. per week for each child, and 1s. a week for each family, no matter how many it comprises.

BATCHELOR.—I am proud that in New South Wales the education of their children need cost parents nothing beyond an ordinary contribution to the revenue. I do not believe in placing a poll tax upon parents.

REID.—The honorable member might say that he does not believe in a poll tax upon travellers, and that, therefore, people should be allowed to travel free on the State railways.

BATCHELOR.—That is a very different thing. The children of the State should be able to obtain the highest education whatever the circumstances of their parents may be.

REID.—No parent in New South Wales need pay anything for the education of his child if he says that he is unable to do so.

BATCHELOR.—That was the old New South Wales system, but I do not think it is a good one. Let us be satisfied with a fair thing. I am prepared to vote for every item in the schedule, where it is proposed to borrow money for work which is strictly reproductive, but I do not think we should go beyond that. This is not the time to stop all borrowing. Let us not kill the patient by heroic remedies to cure his

Mr. A. PATERSON (Capricornia).—I do not wish to obtrude the position of my

unhappy State upon the committee, but it appears to me to be necessary to do so. It has been suggested by some honorable members that Queensland is not reducing her expenditure to meet her altered circumstances. But I do not think that any State in the union has set a better example in that respect. The Governor has voluntarily offered to accept a smaller salary, all other salaries in the public service have been reduced, and 500 officials have been discharged from State employment. It is clear, therefore, that Queensland is doing the best she can under the circumstances.

Mr. MAHON.—Has she imposed a land tax?

Mr. A. PATERSON.—She levies a very stiff income tax. Leaving Western Australia, which has practically two Tariffs, out of consideration, I find, from the Treasurer's statement, that of the total revenue received by the Commonwealth New South Wales will receive back 84½ per cent., South Australia 84½ per cent., Victoria 81½ per cent., Tasmania 79 per cent., and Queensland 71½ per cent. The average return is 80 per cent. If Queensland received 80 per cent. she would get back £960,000, instead of £885,300, or £74,700 more than it is proposed to give her. Owing to her enormous territory, the cost of administration and collection is much heavier in Queensland than in other States. One cannot be surprised, under the circumstances, at the indignation prevailing there because of the way in which she is being treated, and she is likely to find that she has made a mistake in mortgaging a glorious and sure future. The greatness of Victoria is in the past; that of Queensland is in the future. It is all very well for honorable members to say that they sympathize with the position of Queensland. They have now an opportunity to give practical evidence of their sympathy. If the Commonwealth does not assist her by raising a loan, and giving her a share of it, she will have to go into the money market for herself. During the debate this afternoon it crossed my mind that some of the speakers are very much influenced by the words of a famous financial writer in London who rejoices in the name of Wilson, and who systematically holds up to contempt every Australian security. But if we compare the indebtedness of Australia with that of England, what do we find? The national debt of England is something like £710,000,000, and the only pledgeable assets she could give as security for that

amount are £27,000,000 worth of Suez Canal shares.

Mr. REID.—The honorable member takes no account of her taxable assets.

Mr. A. PATERSON.—That is another matter. The total State indebtedness of Australia, excluding municipal indebtedness, with which the Commonwealth has nothing to do, is about £206,000,000, and of this amount £130,000,000 has been expended upon enormously productive works such as railways and telegraphs, so that only £76,000,000, or less than £20 per head, has been borrowed for other purposes. Putting the interest at $3\frac{1}{2}$ per cent., that makes a charge of only 13s. 6d. per head per annum. No securities except those of America are to be mentioned in the same breath with Australian securities, and no one knows that that is so better than do the wretched brokers who write down Australian stock in order to bear the market whenever we want to borrow. Arguments of an extraordinary character have been used during the recent debate upon the Loan Bill. The honorable and learned member for Northern Melbourne pointed out how glorious our position would be if we had paid for our railways out of revenue. But if we had tried to do that we should have had no railways. If we find it difficult to pay interest on the money borrowed, how could we have provided the principal.

Mr. WATSON.—We have paid away in interest an amount equal to the principal borrowed.

Mr. A. PATERSON.—That is precisely the argument of the honorable member for West Sydney, who said that out of nearly £300,000,000 borrowed by New South Wales only a little more than £28,000,000 found its way into Australia, because New South Wales had paid back in interest an amount nearly equal to the principal borrowed. How ridiculous is an argument of that sort! Supposing that I borrowed £10,000 with which to erect certain properties: At the end of twenty years am I entitled to say to the individual from whom I borrowed—"I have repaid you in interest the whole amount loaned to me, so that the properties are now mine"? Where did I get the money with which to pay that interest? Did it not come to me in the shape of rents?

Mr. WATSON.—Could not the honorable member have obtained a similar return under different conditions?

Mr. A. PATERSON.—No; because I should not have been able to obtain the principal. It is all moonshine to urge that we can ever tax the people to the extent necessary to provide the capital required for carrying out reproductive works. The scheme is wholly a visionary one, unless the socialists cut the throats of the capitalists, and take their money from them.

Mr. WATSON.—Could we not raise another £1,000,000?

Mr. A. PATERSON.—The only feature about the Government proposal which I dislike is that of going upon the market for such a very small sum. But if we are to develop this country we must begin to borrow at some time. We cannot tax the people sufficiently to provide the necessary money to enable us to undertake reproductive public works, and the only way to develop our resources is by obtaining loan moneys for that purpose. I shall, therefore, support the Government proposal.

Mr. O'MALLEY (Tasmania).—I am very pleased that the leader of the democratic party has moved to test this question. To me it is peculiar that the representatives of the various States, both in the State Legislatures, and in this Parliament, apparently entertain the opinion that we can do nothing unless we initiate a borrowing policy. I know men in private life who are imbued with a similar idea. I was acquainted with a man in Adelaide who used to accost me regularly each week with a request for the loan of 5s. or 6s., until I began to think that he regarded me as a sort of "grafter" for him. That is precisely the position which the Commonwealth occupies to-day in regard to the various States. The trouble with the latter is that they are suffering from chronic financial *delirium tremens*. They have had a perpetual financial drunk, and they are suffering from "snakes." The time must come in the history of the Commonwealth when this Parliament must stop the States from continuing their present policy of borrowing. The honorable member for Bourke showed to-night that during the past ten years Victoria has borrowed £10,000,000—upon which she is annually required to pay by way of interest £350,000—without having received any corresponding increase of revenue from reproductive public works with which to meet it. What does that mean? Yet some people attribute

appearance of Victorian prosperity to labour party. I should not utter one to-night if Victoria were not full of orators who declare that the financial troubles which have overtaken it are traceable to the party with which I have the honour of being identified. I repeat this State has borrowed £10,000,000 in the last ten years.

POYNTON.—Has she no assets for that figure?

O'MALLEY.—She has assets in shape of disabled engines, ruptured motor cars, and burst-up goods cars, which are now to be seen lying about railway yards, and to which Mr. Poynton should devote his attention, instead of giving the labour party. The other day I had a look at this disabled rolling stock, and can assure the committee that for a maladministration a private railway company in the United States would have had a manager in gaol. So long as we supply our arrogant financiers with plenty of money, they will not economise. There is an old proverb which says that "everything comes to him who waits," but I have noticed that nothing for which one is waiting never comes. The time may come—and perhaps not far distant—when the Commonwealth Government will have to render assistance to some of the States. There may come a period when the small States will not be able to go upon the money market, and raise sufficient funds to meet their indebtedness, and, if so, they will be obliged to ask the Commonwealth Government to help them solvent.

MALCOLM MCEACHARN.—They are bound to do that.

O'MALLEY.—I have seen it done in the United States. There certain States have had to go to Congress with a request for assistance. Congress has assisted them, but, at the same time, it has placed a curb upon them so that they could not borrow. The British States, however, can go upon the London market, and float loans without restriction. Every second man one meets in London is there on behalf of some of the States Governments. Have the British States reduced the expenditure in the maintenance of their Agents-General's staff since the establishment of the Commonwealth? Not a bit of it! Have they reduced the offices of States Governors, and the tin-pot paraphernalia associated with them? Have they talked about reducing

the emoluments of their Judges, who receive salaries of which ancient emperors and kings never dreamed? Not a bit of it! Yet the Treasurer and his eloquent colleague, the Acting Prime Minister, declare that we must not interfere with the States. We want to save them. I represent the smallest State in the union, and the one which perhaps has sacrificed most. But I wish to teach that State, as the State in Western America, where I lived, was taught, that she must study economy—not tomfoolery economy—and that she must throttle the extravagant, spurless roosters who are bringing her down to disgrace. Let us look at another aspect of this question. Supposing that we allow these State gentlemen to continue their policy of "borrow, boom, and burst," without interference, what will be the result? Unquestionably, they will borrow, boom, and burst. Yet we are told that we must not interfere with the revenue of the States—that we must go upon the money market and borrow as much as we can, whilst the States continue to borrow as much as they can. The point which seems to escape attention is that there is no new population coming to our shores. The real trouble is that the various States, when federating, forgot that the same people would have to pay the taxes. As a result, every State, just prior to the inauguration of the Commonwealth, started to pile up its military expenditure. In Tasmania two post-offices were established, which were absolutely unnecessary, because her people were under the impression that the expenditure connected with them would fall upon the Commonwealth. Similarly, every second man one met was looking to the Commonwealth for an increase in his salary. It was thought that we were to have a Rothschild, or some of the American millionaires, at our back, instead of the people of Australia. But the same white-faced Caucasians have to pay the taxes, and they are the people of whom I am thinking. We are determined to stop this loan business—small as it is—to-night. Three-quarters of the revenue derived from Customs has to be returned to the States, but one-quarter of it must be retained by the Commonwealth to enable us to carry out reproductive public works. The "boodler" must go. I will admit that the money which has been borrowed in this country has enriched a lot of gentlemen. By a system of exploiting the earnings

of the workers they have grabbed it, and now they object to paying their fair share of the taxes. Every year they want the same struggling man to come up to the scratch and pay the taxation for them. How long would it take the Victorian Government to wipe out the State deficit if they would come down with a legitimate system of taxation? But we shall never obtain anything from the frozen-hearted, gilded, and spurless roosters of to-day until we force them to give it. As, however, I can see that there is no prospect of the Government proposal being carried, I will not debate the matter further.

Mr. MAHON (Coolgardie).—It is rather unfortunate that at this late stage of the session a matter which is of the greatest importance to the Commonwealth should have been introduced in this way. I think that the Government ought to have found time earlier to formulate some proposal for taking over the whole of the indebtedness of the States. By that means not merely would the States themselves be considerably relieved, but the Commonwealth would occupy a very much improved position.

Sir GEORGE TURNER.—How would the States be relieved?

Mr. MAHON.—By a reduction of interest on their loans. The Treasurer would find that if the Commonwealth assumed those debts, he could convert the present loans into stock bearing a lower rate of interest.

Sir GEORGE TURNER.—Only as they fall due.

Mr. MAHON.—I am not quite so sure of that. I think that the British bondholder is always open to accept a consideration, and it is quite possible that he might be prepared to surrender his stock upon terms.

Mr. ISAACS.—What inducement would he have to do so?

Mr. MAHON.—To begin with, he would obtain a better security, and I presume that he would also obtain some monetary consideration.

Mr. ISAACS.—The States will not fail to meet their obligations.

Mr. MAHON.—True. But as the Commonwealth has taken over the principal sources of revenue of the States, together with a great many buildings which were erected out of loan funds and which comprised their chief assets, it seems to me that the Government should have submitted a comprehensive scheme for the assumption by the Commonwealth of these obligations.

I am not one to join in an indiscriminate howl against borrowing. But before I go further I should like to call attention to a remark by the Treasurer, in reply to an interjection by myself, that a loan at 3 per cent. could be floated at par. In the present state of the money market I take leave to doubt that statement; and, if I am right, that is all the more reason why the Treasurer, though he might not put a scheme immediately into force, should have a proposal ready when the time is ripe. As I say, I am not one to shut my eyes to the difficulties which are being experienced owing to the unfortunate drought and the failure of sources of revenue. I am thoroughly with the representatives of the necessitous States who have spoken to-night; and the committee should listen sympathetically to the claims which these gentlemen have advanced. This is not the time—and I can say this freely—for the imposition of fresh burdens on the people; at the same time, Queensland, lightly taxed as the people of that State are in comparison with the people of Western Australia, must have considerable resources which could be levied on in order to make up the deficit. Queensland, where the difficulty is greatest, has ample resources which have not yet been availed of by the State Treasurer. Although I have every sympathy with Tasmania, South Australia, and Queensland, the proposal of the Government to raise such a small sum of money is calculated rather to damage than to enhance our credit, and, on that ground alone, I do not intend to support the authorization of a loan. The Treasurer knows quite well that in Western Australia no loan is required for works in the Postal, Defence, or Customs departments. It is possibly no news to the right honorable gentleman, that since 1895, when £11,698 was expended, no loan moneys have been devoted to works connected with those departments.

Mr. WATSON.—Yet the Government propose to expend in Western Australia £46,000 out of loan moneys.

Mr. MAHON.—The amount which I have just mentioned was for telegraph works; and, I may say further, that since 1897-8, when £2,633 was voted, no loan moneys have been spent on public buildings. With the exceptions I have mentioned, all loan moneys in Western Australia have been expended on railway extensions, improvements of harbors and rivers, and the

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tion of the Coolgardie water supply. Another reason why, from the Australian point of view, the proposal is not wanted, is that that State, on account of the federal Tariff, and also the State Tariff, is this year receiving £250,000 more than was ever before from customs and excise. In the 1898 the amount collected in Western Australia from customs and excise was £31, in 1899 the amount was £15, and in 1900 it was £976,410. The amount which the Treasurer proposes to turn to Western Australia, if he has absolutely returned it, is this year £100,000, or roughly £250,000 more than the best sum obtained in that State from any other sources. What does Western Australia want with a loan? It is proposed to borrow only £46,000 of the proposed loan for that State.

GEORGE TURNER.—Happily Western Australia does not require a loan, but we treat the States differently.

MAHON.—There is no doubt that in Australia does not require a loan, but the reasons I have given I shall be glad to vote against the proposal of the Government.

MR. POYNTON (South Australia).—If I have learned anything to-night it is that there is a great number of honorable members who have missed their avocation, and the Treasurers, should be showing how the advantages of the various States ought to be conducted. It appears to me that there is a conspiracy both inside and outside the House to belittle the resources of Australia. There is one continual howl about our national debt, but not one word about our assets. We hear nothing of the great advantages which have been obtained from the expenditure of public money. Not a word is said of the thousands of pounds of labour which have been expended on the fact that in London there have been obtained, inside a fortnight, a list of financial men to take over the management of our debts, provided the assets were added over.

MR. CROUCH.—We have heard that for a long time.

MR. POYNTON.—The honorable member has not heard that in this debate. Yet the honorable members are crying out, as if all the money had been spent on powder and shot, a way in which the honorable member for Corio would no doubt

be willing to spend it. In my opinion, this is not the time to adopt the drastic reform which has been suggested, and I submit that there has been a want of sincerity in a number of the speeches delivered to-night. Does any honorable member take up the position of saying that there must not be any borrowing?

MR. CROUCH.—Hear, hear!

MR. POYNTON.—Does the honorable and learned member take up that position? Does the honorable member for Coolgardie say that there must be no more loans?

MR. MAHON.—Certainly not.

MR. POYNTON.—If there are to be no more loans, how is the transcontinental railway to Western Australia to be constructed? I ask honorable members of the Opposition how they propose to acquire the necessary land and create the federal capital unless the cost is met out of loan moneys? How, without borrowing, are we to construct the works on the river Murray, which are expected to be of great advantage to Australia generally? Simply because some of the States have a little more money than they want, very little consideration is being shown to other States, which every day we sit here, are getting deeper into financial difficulties. Some honorable members tell the States Governments that they ought to do this and that; but what are we doing? We are increasing the expenditure day after day. The Treasurer will agree with me that the financial position of South Australia is this year, and will be next year, very much worse than it was last year; and yet, in the face of these facts, we have what I was going to call a brutal majority, but which I shall content myself by describing as a heartless majority.

MR. REID.—That is what I thought when the salt duty was under discussion.

MR. POYNTON.—In South Australia £62,000 is to be taken out of revenue for loan works. In addition, the revenue of that State is built upon a false basis, seeing that some £14,000 is realized from imported material on which duty has not been previously paid, and I am right in adding that sum to the £62,000, thus showing £76,000 to come out of revenue. At the present time in South Australia there are really two land taxes, and it is proposed to reduce the minimum income for taxation purposes to £100. The Federal Parliament is helping to force the Parliament of South Australia, as a next step, to cut a lump off

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the education vote. Of course, the South Australian Government could make up the deficit, but it would have to be by reducing salaries, the policy which has caused all the noise in Victoria, and which is opposed by some honorable members who have to-night spoken against the loan proposals of the Commonwealth Government. It is idle to say that it is a bad principle to borrow a sum of only £500,000. Perhaps if the sum had been £10,000,000 there would not have been the same opposition; but it must not be forgotten that there never was a time when money was more wanted by the necessitous States. To say that these States must fall back on their own resources, and have increased taxation, is not the way to encourage a proper federal feeling. I am very much disappointed at the attitude of the committee to-night. If it were proposed to lay down a hard and fast line that there should be no more borrowing, I could understand the position; but there is not an honorable member who would advocate such a course. We know very well that the moment the transcontinental railway is proposed, Western Australian representatives will be in favour of borrowing money for its construction, and the New South Wales representatives would be in favour of a loan if it were intended for the purposes of the federal capital, although the latter discloses no such great necessity as I have indicated in connexion with South Australia. I suppose it would be of no avail if I were to stand here all night and plead for the smaller States. At the same time, I think honorable members ought to give more consideration to the position of South Australia, inasmuch as—and I am not demurring to this—the loan expenditure has been reduced by one-third, and the revenue called upon to bear the burden to that extent. All we ask is that for this year, and until we have better times, the Commonwealth Parliament will not put the States in a worse financial position than they are in now.

Mr. REID (East Sydney).—I think that one who has listened to this debate has some fault to find with many of the observations which have been made by honorable members who have taken opposite views upon the question. Those who are so earnestly in favour of the passing of a Loan Bill at this time for the services specified, while reproving other honorable members for observations that they think tend

to disparage the credit of Australia, seem to me themselves to have fallen into the same error—of making it appear that the financial soundness of Australia depends upon this item. Both of these lines of observation are open, I think, to very grave exception. We ought always to remember, whatever the borrowings and the financial management of the different States may have been, that every one of them is absolutely sound and solvent. Some of us in Australia seem to think that the moment a shadow of trouble or strain comes upon us the end of our existence is near. Why, the average state of existence in other countries is at a much greater tension than we seem to feel, even when the worst of droughts is cursing the whole continent. We do not know what trouble is in Australia! We have no idea of the strain which is put upon humanity in the endeavour to live in other parts of the world. I regret that on both sides observations have been made which would do this country no good in the centres of financial operations, were it not that every sound financier, wherever he lives and in whatever country he may be, knows, if he is tolerably well informed, as one of my honorable friends has said, that instead of our public debt being represented by destruction and shot and bloodshed, we have magnificent assets to show for it. But we must not forget that we have spelt the word "Loan" very largely in our political history in Australia, that we shall have to spell the word "Retrenchment" more largely than we have been accustomed to do, and that we shall have to spell the word "Economy" much more largely than we have ever had to do. So far as I am concerned, I think I have the very clearest course before me. It is one of the curiosities of our public affairs that one of the most important debates in which we could engage in this Federal Parliament—in which we are supposed to settle a great principle—should be on the question of whether we shall spend £150 of revenue on the construction of a new port Harbor at Newcastle. That is one of the eccentricities to which our public business is reduced. If there were any necessity for this I should have no complaint to make. We all know that sometimes there is a necessity for this convenient course to be pursued. But a Loan Bill was introduced into this Chamber on the 1st June, and the second reading of it was moved on the

ne. The motion for the second of the Bill was the occasion for discussion of principle to be discussed. had been a majority for the Bill, the reading would have demonstrated and then the House could have a committee on the details. If, there had been a majority against the Government would have known and then what their position was. have drifted on to the end of September and now that we are in the middle of estimates, we are suddenly called to go into this Boat Harbor Bill, and to consider this question. re to close up the business of the session as soon as possible, and I do not therefore, to make any stronger statement than are necessary. We all wish to finish the business of the session as soon as we can. All I have to say in connection with this matter is that whilst I do not wish to be understood as supporting the Commonwealth should not do so, I do not take up that position at the present time, by my vote, to support the Government in the way in which they are proceeding with it.

CONROY (Werriwa).—I certainly do not wish those who say that it would not be wise thing for the Commonwealth to go on all idea of borrowing. If money is borrowed for reproductive purposes, say, for a railway, and can give a return of 4 per cent., it would be very unwise for us to say that we will raise the rate of interest against our own people to 6 or 7 per cent. we should do, by calling upon the Government what we have in the country. I am not sure that some honorable members who are posing as democrats have failed to see the obvious fact that if we were to do so in Australia, the ordinary rate of interest would be so raised against the people because the Commonwealth itself is the most favoured borrower—that is, in many instances would be the case. My principal ground of complaint against the Government is that they have not put before us any statement from which we can find out whether the items are those for which money ought to be taken from the Treasury or to be charged against loans.

GEORGE TURNER.—Sheet after sheet of estimates were put before honorable members in connexion with the Bill.

CONROY.—But the Government estimates have not attached any importance

to those details, because they have not come before us with any statement showing exactly what amount of money was required. The Government ought to have formulated their proposals, placed them in the Bill, and come before the House, and said—"This is what we propose, and if the House does not like to accept it, it has another alternative, and can find some one else to manage the affairs of the country."

Mr. WATSON.—If the honorable and learned member were Prime Minister, he would be resigning every week.

Mr. CONROY.—If I were Prime Minister the men associated with me would know what responsible Government meant, and the measures put forward would be submitted after due consideration, and not tossed before the House to be dealt with at the sweet will of anybody. We have departed from the principle of responsible Government in this Parliament. The present Ministry has not chosen to accept any responsibility whatever. A question which should be remembered is that when the Commonwealth was called into existence we were told that a revenue of about £8,000,000 from customs and excise would be all that was required. We were led to expect that no more than that sum would be taken from the people. But now an extra million, or a little more, has been taken from them, and, that being the case, the more ordinary expenditure that can be met from the extra taxation the better. For that reason, I intend to vote against the proposal of the Government.

Question.—That the item, "Construction of new boat harbor at Newcastle, £150," be reduced by £1—put. The committee divided.

Ayes	...	...	...	30
Noes	...	...	...	15
Majority	...	...	...	15

AYES.

Brown, T.	O'Malley, K.
Couroy, A. H.	Page, J.
Cook, J.	Quick, Sir J.
Cook, J. H.	Reid, G. H.
Cooke, S. W.	Salmon, C. C.
Crouch, R. A.	Skene, T.
Edwards, G. B.	Smith, S.
Fowler, J. M.	Solomon, E.
Glynn, P. McM.	Watkins, D.
Higgins, H. B.	Watson, J. C.
Isaacs, I. A.	Wilkinson, J.
Kirwan, J. W.	Wilks, W. H.
Mahon, H.	
Mamfold, J. C.	
McDonald, C.	
McEacharn, Sir M.	

Tellers.

Fuller, G. W.
McCay, J. W.

NOES.

Bamford, F. W.	Macdonald-Paterson, T.
Bonython, Sir J. L.	Paterson, A.
Clarke, F.	Poynton, A.
Cruickshank, G. A.	Sawers, W. B. S. C.
Deakin, A.	Turner, Sir G.
Fysh, Sir P. O.	<i>Tellers.</i>
Kingston, C. C.	Batchelor, E. L.
Lyne, Sir W. J.	Groom, L. E.

PAIRS.

<i>For.</i>	<i>Against.</i>
Tudor, F.	Groom, A. C.
Ronald, J. B.	Ewing, T. T.
McLean, F. E.	Hartnoll, W.
Hughes, W. M.	Braddon, Sir E.
Mauger, S.	Edwards, R.

Question so resolved in the affirmative.

DEPARTMENT OF HOME AFFAIRS.

Division 18 (*Administrative Staff*) — £6,411.

Mr. McDONALD (Kennedy).—I think we are entitled to some explanation in regard to this division. It appears to me that the whole of this department is run upon very extravagant lines. We have a secretary receiving £750 per annum, a chief clerk receiving £600, a chief accountant receiving £550 per annum, a senior clerk (also secretary to Minister) receiving £450 per annum, and a clerk and shorthand writer receiving £250 per annum. In my opinion the number of these officers could be reduced. I think that the senior clerk and secretary to the Minister is a new appointment.

Sir WILLIAM LYNE (Hume—Minister for Home Affairs).—The appointment referred to by the honorable member is not a new one. The amount named has been voted upon two different sets of Estimates.

Mr. McDONALD.—There is nothing in the Estimates to show that it is not a new appointment.

Sir WILLIAM LYNE.—Honorable members will remember that a discussion upon the question of the appointment of a secretary to the Minister took place some fifteen or sixteen months ago, when the appointment of three or four secretaries to Ministers was dealt with. Although some honorable members seem to think that I am extremely extravagant, I have been endeavouring, as far as possible, to economise. The working capacity of the department is not taxed to the extent that it will be in a very short time, and I have not used any part of the £450 set apart for this office. I have managed to obtain another clerk, whose time was not quite fully

occupied, to do the work which will have to be done by-and-by by a clerk drawing this salary. It is because of that fact that the item appears on the Estimates as if the appointment were a new one. If the honorable member turns to last year's Estimates, he will find that the item was voted there.

Mr. BATCHELOR (South Australia).—I think it would assist the committee very much if the Minister would say whether any of these items show an increase upon last year's estimates.

Sir WILLIAM LYNE.—I think the only increase which has been made is one of £18 to a messenger performing double duties. He acts not only as a messenger, but, when I have work to do elsewhere, carries out clerical duties. He receives £125 a year, and I think the increase I have named is the only one which appears in my estimates. I have given that increase, because the young man has done very good work and saved a great deal of expense by being able and willing to act as a messenger as well as a clerk.

Mr. A. PATERSON (Capricornia).—On Friday last we failed to reduce the salary of £750 which the secretary to the Attorney-General receives. There is another item here representing almost a similar amount, to which I wish to draw attention, namely, "Office cleaners, £679."

Sir WILLIAM LYNE.—That represents the cost of cleaning all the offices.

Mr. A. PATERSON.—We have already passed a sum of £1,000 for cleaning Parliament House.

Sir WILLIAM LYNE.—The item referred to by the honorable member does not provide for the cost of cleaning Parliament House, but covers the cost of cleaning the whole of the Federal office. There is first of all the building at the corner of Spring and Collins streets, the new offices adjoining them, and a third building between those and Dr. Bird's hospital, which we have been called upon to rent. All those buildings are crowded almost to suffocation. I think the item also provides for cleaning the Sydney offices.

Mr. JOSEPH COOK.—How many officers are there?

Sir WILLIAM LYNE.—I think there are six or seven of them. They do not receive on an average the minimum wage required under the Public Service Act.

Sir MALCOLM MCEACHARN.—Under the heading of "Public Service Commissioner"

RECEIVED BY THE SECRETARY OF THE HOUSE OF COMMONS

on is made for a caretaker and at a salary of £65 per annum.

WILLIAM LYNE.—I did not my Estimates to be loaded with cost of cleaning all the other departments but it was considered that they bear that responsibility in respect of the whole of the buildings. I was, therefore, compelled to give way. In doing my Estimates I would point out to the honorable member that the amount does not relate solely to the department for Home Affairs, but that it also covers the cost of cleaning the Attorney-General's department, the Prime Minister's department, and the building which is occupied by the Defence department, or two other offices.

LANGDON BONYTHON.—What is the difference between the amount on last year's Estimates and that we are asked now to vote?

GEORGE TURNER.—Last year we did not have all these offices.

A. PATERSON (Capricornia).—The Committee will observe that £150 was on last year's Estimates for this work, but £190 was spent. This year, however, the amount has suddenly jumped up to £9. I thought it included a provision for lighting and furniture, but I find it includes only the cost of cleaning. As pointed out by the honorable member for Melbourne, there is a sum of £65 set apart for cleaning the offices of the public service commissioner, while, with the usual economy of the Treasurer's office, the work in that department costs only £56 per annum. Should this enormous sum be set apart for cleaning the other departments?

WILLIAM LYNE.—In one case there are two or three rooms, while in the other there are two or three buildings.

A. PATERSON.—I am sure that a champagne brigade, with General MacArthur at its head, would do the work for the money. I move—

the item, "Office cleaners, £679," be reduced to £200.

WILLIAM LYNE.—I hope the honorable member will not press his amendment. I find that there are two male cleaners employed at a wage of £2 per week, and two female cleaners receiving £1 per week, in addition to one cleaner employed in the other offices.

Mr. McDONALD.—I wish to move an amendment in an earlier part of the division, but if the honorable member proceeds with his amendment now I shall not have an opportunity of doing so.

Mr. A. PATERSON.—I am quite willing to temporarily withdraw my amendment.

Amendment, by leave, withdrawn.

Mr. McCAY (Corinella).—I desire to have some explanation in regard to the item "Travelling expenses, £650." I confess that I do not understand it.

Mr. REID.—That is for the parliamentary circumnavigation of the Australian continent.

Mr. McCAY.—The peripatetic method again. I presume that the item refers to the travelling expenses of the administrative staff. It seems to me that the administrative staff will not have time to do their work, if they are allowed to spend £650 a year in travelling.

Mr. REID.—It is a mere flea-bite to this department.

Mr. McCAY.—Without in any way attributing extravagance to the Minister, I must say that when I come to the Estimates of the Department for Home Affairs, I always look at the items, and the sums set opposite them.

Mr. SALMON.—The amount is £68 less than that provided last year.

Mr. McCAY.—That is a kind of negative merit. It may mean merely that the position is better than last year. The Attorney-General's staff is satisfied with £100, while the Treasurer allows his staff to have only £75 worth of travelling in the course of a year. I therefore cannot understand how the administrative staff of the Department for Home Affairs can require to travel so much.

Mr. WATSON.—Does the amount include the cost of travelling by inspectors under the Public Service Act?

Mr. McCAY.—No; there is a sum of £1,500 provided for the expenses of inspectors under the Public Service Act whose business it is to travel.

Sir MALCOLM McEACHARN.—And £400 for the public works staff.

Mr. McCAY.—I can understand the expenditure in the case of the sub-department of the public service and in the case of the Public Works branch, but not in regard to the administrative staff of the department for Home Affairs. The Treasurer has a staff of sixteen officers, and he allows

them £75 to travel. Yet we find that an administrative staff of sixteen in the department for Home Affairs requires £650 to travel on. I should be glad to hear some of the items from the Minister, because this seems to me, as at present advised, to be a very extreme amount.

Sir WILLIAM LYNE.—The honorable and learned member will see that it was £718 last year.

Mr. McCAY.—Yes; but that does not prove anything, except that it was too much last year.

Sir WILLIAM LYNE.—This amount is to cover official travelling in connexion with a great many matters. I heard it stated the other night that Ministers received travelling expenses, but I know that I have received none. But when an officer travels with me upon official duties he gets his travelling expenses. These officers have had on many occasions to go to States to deal with matters which have had to be inquired into on the spot, and the whole of the travelling expenses involved are included in this sum of £650. The honorable and learned member has said that £718 was too much to vote last year, and he will be glad to hear that we hope to be able to get through the present year with less. A good deal of work has to be done in Sydney, and in connexion with one or two matters I have had to send officers over upon two or three occasions. I have had to borrow officers from Sydney in connexion with matters to be dealt with here. Their expenses backwards and forwards have had to be paid, and all those expenses come out of this amount which I consider reasonable for the department.

Mr. McCAY.—It is equivalent to fifteen months travelling for one officer at a very generous rate.

Sir WILLIAM LYNE.—I have not gone into that calculation, but honorable members will believe me when I say that a very great deal of care is exercised in preventing undue travelling expenses. After the votes have gone through my economical hands, I have a battle royal with the Treasurer before I can get them through his hands. Honorable members will therefore see that they are cut down as low as possible, and I hope they will not attempt to reduce this vote. I cannot at the present moment describe all the little matters connected with travelling, but officers have had to travel backwards and

forwards to Sydney, and once or twice to Adelaide, and in doing so they necessarily incur expense.

Sir MALCOLM MCEACHARN.—Is there any scale of remuneration provided?

Sir WILLIAM LYNE.—Yes, the payments are all made in accordance with a scale.

Mr. REID (East Sydney).—I think the Minister will acquit us of any desire to make any special set upon his department, but there has been a great deal of curiosity about this department of Home Affairs. It seems to embrace a great variety of matters, to which the honorable gentleman gives his personal attention, but which never appear upon any official list. I have been looking over these departments, and I find that this mammoth expenditure, £650 for travelling expenses is about three times as much as the military staff ask for in carrying out the work of our great military forces. If this vote of £650 is to cover the expenses of the scientific expedition which the Minister intends to carry out—

Sir WILLIAM LYNE.—Will the right honorable gentleman go?

Mr. REID.—No. I shall not be able to go, but I suggest that no expense should be spared upon matters of that sort. The Australian fisheries require special attention as well as the forts and fortifications along the shores of the continent. I hope the honorable gentlemen will enjoy himself very much, and I must say that if this item is intended to cover the expense of that expedition it is very moderate. But if it is intended to cover only the expenses of ordinary officials of the department, then, when I turn over the page, I find that the travelling expenses under the head of the Treasury department amount to only £75.

Sir WILLIAM LYNE.—Before the right honorable gentleman goes any further, I should like him to look at the travelling expenses of the head-quarters staff. I think he has made a mistake in connexion with that vote.

Mr. REID.—At page 40, I find a reference to travelling expenses in connexion with the Department of Defence, "Chief Administration," "Central Staff," and "Secretary for Defence"—that should be the right place to look—and under the heading of contingencies, the vote for travelling expenses is set down at £250.

Sir GEORGE TURNER.—That is in connexion with the civil administration. The

right honorable gentleman will find at page 51 that the travelling expenses for the staff are set down at £1,170.

Mr. REID.—The vote to which I have referred covers only the travelling expenses of clerks?

Sir GEORGE TURNER.—Yes. The administrative staff.

Mr. REID.—Except under the head of "Customs," I find no amount which approaches this £650 for travelling expenses. Is the department of Public Works in full operation yet?

Sir WILLIAM LYNE.—No.

Mr. REID.—Is it provided for in these Estimates?

Sir WILLIAM LYNE.—Yes.

Mr. REID.—Will this amount for travelling expenses include the travelling expenses of officers employed in connexion with the department of Public Works?

Mr. McCAY.—No. There is £400 provided for them.

Mr. REID.—If they are specially provided for I think that this item of £650 can be cut down by at least one-half. Another item which calls for some notice is the £679 for office cleaners. I am astonished that the Minister for Home Affairs, who stands forward as the champion of the other sex, and who has received various touching testimonials from women, should actually pay his women cleaners only half the salary paid to male cleaners. I admit that at ordinary tradesmen's work a man may do twice as much as a woman, but I will guarantee that a woman can do twice as much office cleaning as a man any day. Why, therefore, should they be paid only half the salary? In connexion with an occupation which is essentially suited to the sex, it is a degrading and humiliating spectacle that the Minister should be sweating the women in his department down to half the wages which men are receiving for doing the same work. I think it is right that I should call attention to the unchivalrous conduct of that gentleman in this respect. The total amount for the department is £6,400, and if we take off £2,500 the department will get a fair staff.

Mr. POYNTON (South Australia).—The way in which this department is growing is alarming. I find an increase of £2,408 for the administrative staff, and an increase of £1,199 for the electoral office.

Sir GEORGE TURNER.—We are providing in these Estimates for a full year, whereas in last year's Estimates we provided only for portion of a year.

Mr. POYNTON.—Then the office of Public Service Commissioner, which is practically a new department, involves an increase to the enormous extent of £10,187. There is an increase of £9,467 for the public works staff, and an increase of £6,270 for works and buildings. Then, under "Miscellaneous," there is an increase of £34,965, and that, I notice, includes the cost of compiling the new electoral rolls. It is clear that the Minister is not justified in saying that he is trying to economize when we find the enormous increases to which I have referred in the department, which is under the honorable gentlemen's careful supervision. The fact that this is new expenditure, but emphasizes the remarks which I made before to-night on the question of the State finances. The expenditure in connexion with this department, under the present administrator, is increasing by leaps and bounds, and it is hard to say where it is going to stop. I notice that the £35,000 for electoral expenses is classed as "new" expenditure.

Sir GEORGE TURNER.—It is clearly "new expenditure."

Mr. POYNTON.—The effect will be that States in which practically none of this money will be expended will have to pay their share of the amount on the population basis.

Sir GEORGE TURNER.—It is just the same as the expenses of the election itself. We shall all have to pay on a population basis for that. A large proportion of this amount will be spent in the printing of rolls and that sort of thing.

Mr. POYNTON.—I fail to see how the department is going to spend £35,000 on the preparation of the electoral rolls.

Mr. REID.—Leave it to the Minister; he will do it.

Mr. POYNTON.—I am not as anxious to leave everything to the Minister as the right honorable gentleman is. While the Minister says that he insists upon economy, he does not show any evidence of it in his work. I fail to see why an expenditure of £35,000 should be necessary for compiling new electoral rolls. In South Australia, very little expense will have to be borne on this account, as the work to be done will be

practically a reprint of the rolls in existence at the present time. The work generally should be only a compilation from the census returns, unless the Minister, in his anxiety for economy, proposes to send around a number of men to collect new names. I do not wish to say anything about the votes for travelling expenses. The total is very large, because it includes not only the sum of £650, but items of £300, £400, and £1,500. I believe that we shall be perfectly safe in cutting down the vote for the department by £15,000, and I propose to test the opinion of the committee on the point.

Sir WILLIAM LYNE.—The first recommendation which was made by the Acting Electoral Commissioner was that a sum of £45,000 should be provided for expenses in connexion with the introduction of the Electoral Act. I pointed out to him that in South Australia, Western Australia, and New South Wales there could not possibly be as large an expenditure as he anticipated, because we shall use the State rolls to a very large extent, of course, with the concurrence of the States. All we shall have to do with the State rolls will be to group them in divisions. In New South Wales, the estimate of £9,000 includes £4,974 for cost of printing rolls, £121 for advertising courts, 1s. per day allowance to police in cities and towns, and 2s. per day to mounted police in the country. The cost of registration and administration is not included in the estimate. In Queensland, the estimate of £8,151 includes for cost of administration and £2,761 for cost of printing rolls. There must be a branch of the service in that State for the purpose of collecting the rolls, because the work cannot all be done from one centre. In Western Australia, the estimate of £7,746 includes the cost of holding courts, and printing. The estimate for the cost of printing the rolls has had to be increased, because we must have rolls in nearly all the polling places, in consequence of electors being allowed to vote at any polling place in a division for the House of Representatives. The estimated expenditure for South Australia is very low—£200 for revision courts and £500 for registrars—because, practically, the State rolls will be used. In Victoria, the estimated cost is £17,000. I have not the figures for Tasmania. In Victoria and Queensland the rolls will have to be made

up, because there is no adult suffrage. It will cost just as much to get the Federal rolls together there as it costs to prepare the State rolls, and that is why it is that those two large States will absorb £25,000 out of the vote of £35,000.

Mr. PAGE.—Will not the roll be taken from the census?

Sir WILLIAM LYNE.—Yes, as far as it can be done. The roll will not be made until two years after the census was taken. In the meantime, the population may increase or decrease in various parts of a State. We cannot have a fair or reliable roll unless we can revise the State roll as well as use the census. I have no desire to swell this amount. I took the trouble to go into the question, and I reduced the first estimate by £15,000. If all the money is not required, it will not all be spent, but we must not be left without money. The rolls should be compiled quickly after the Electoral Bill becomes law. When that measure is brought into operation the federal rolls will be found to contain a larger number of electors than did the State rolls in consequence of its liberal provisions in every way. I hope that honorable members will accept my assurance that this estimate has been cut down as low as possible.

Sir LANGDON BONYTHON (South Australia).—I wish to ask the Minister for Home Affairs whether it is a fact that under the arrangement South Australia is to contribute £3,500, and to have only £700 expended therein? I am very much surprised at the smallness of the amount required in that State.

Mr. McCAY (Corinella).—The honorable member for Kalgoorlie asked a question the other day with regard to the item "Conveyance of Members of Parliament and others," and I understood the Minister to say that he would furnish some information on the subject when his Estimates were reached.

Sir WILLIAM LYNE.—I will when I come to that item.

Mr. McCAY.—The gain may be very much outweighed by the popular dissatisfaction created by the expenditure of the money.

Mr. WILKS.—That is to defray the travelling expenses of honorable members to and from their districts.

Mr. McCAY.—It is required to provide honorable members, among other things, with passes over all the railways of Australia.

Sir GEORGE TURNER.—That costs £6,600, to begin with, and then there are the coach and steamer fares to be paid.

Mr. McCAY.—I believe that the States have no cash outlay in connexion with the provision of passes for their Members of Parliament.

Sir WILLIAM LYNE.—In New South Wales we used to pay £32,000, and it was reduced to £25,000.

Mr. McCAY.—This cash expenditure by the Commonwealth comes under the term of "other expenditure" and is payable on a population basis. I think it should be kept down as low as possible. I confess that if occasion offers I shall use my pass, but I never could see what justification there was for honorable members to have a pass over all the railways of the Commonwealth. I think that an honorable member is entitled to be conveyed all over his constituency, and from the seat of government to his constituency and home. We should be very chary in incurring this expenditure, for the reason that a great many electors attach to it an importance which to my mind is much greater than it warrants.

Mr. SYDNEY SMITH.—It is a wonder that the honorable and learned member ever took the allowance of £400 a year. He is too sensitive.

Mr. McCAY.—It is not a question of being personally sensitive upon the matter, but a question of how it affects the estimation in which this Parliament is held. I hold that the unwarranted odium which is caused to Parliament by an expenditure of this kind far outweighs the possible advantages to individual members, and that consequently we should exercise the utmost care in passing such items.

Mr. SYDNEY SMITH.—The honorable and learned member thinks that a Member of Parliament ought to know nothing about Australia.

Mr. McCAY.—I do not think that a Member of Parliament, either in the Commonwealth or in a State, expends a large amount of time in travelling over Australia or his State for purposes directly connected with his legislative work.

Mr. FOWLER.—Supposing a Member of Parliament lives in a suburb of Melbourne, does he travel in connexion with official duties when he comes here?

Mr. McCAY.—I lay down the general rule that universal picnics are not desirable.

Mr. CONROY.—If the honorable and learned member had to travel to and from Sydney once a week he would not consider it a picnic.

Mr. McCAY.—If the honorable and learned member had listened to me, he would know that I specially exempted cases such as he refers to. I recognise that we could not adequately reward honorable members for the inconvenience to which they are subjected in travelling between their homes in Adelaide or Sydney and Melbourne by any salary which we could expect the people of the Commonwealth to pay. I am objecting to the proposed expenditure upon a special trip to Western Australia, because I think it is right that honorable members, unless they are travelling strictly upon legislative business, should pay their own expenses.

Sir WILLIAM LYNE.—I have listened to the speech of the honorable and learned member for Corinella with some regret, because he takes a very broad view of most subjects, and his speeches are listened to with great attention. If the honorable and learned member had to live in the north of Queensland, or in Western Australia, and had to travel from those States to Victoria to discharge his parliamentary duties, he would find it absolutely impossible to defray his own expenses.

Mr. McCAY.—I said distinctly that the cost of conveying honorable members to and from Melbourne should be paid by the Commonwealth.

Sir WILLIAM LYNE.—I did not quite understand the honorable and learned member on that point. He said, however, that an importance which was wholly unwarranted was being attached to this subject. I do not know what importance is attached to it in Victoria, but I know that in New South Wales—and I think also in other States—it has been the practice for a great many years to pay a large sum of money for the conveyance of Members of Parliament and their wives upon the railways. At one time the sum of £35,000 was appropriated for this purpose in New South Wales, but it was subsequently reduced to £22,000 or £25,000.

Mr. JOSEPH COOK.—That included the expense of conveying distinguished visitors over the railways.

Sir WILLIAM LYNE.—There were not many distinguished visitors to be paid for. Provision was made in that amount for

passes which were issued to honorable members' wives for one month during the year.

Mr. REID.—The cost of conveying school children was also provided for in that sum.

Sir WILLIAM LYNE. — I think not. I am speaking from memory only, but I believe that the cost of conveying school children over the railways represented a much larger amount. At all events, a large sum of money is appropriated at the present time for the purposes to which I have referred. If it is right that honorable members should have every opportunity to become acquainted with the conditions existing in every State, now is the time that facilities should be afforded. A large number of honorable members are acquainted only with the State which they represent, and yet they are called upon to legislate for the whole Commonwealth. I feel, therefore, that it would be good policy for us to afford every opportunity to honorable members to visit during the recess any States with which they are not acquainted. More money will be saved to the Commonwealth by adopting this course than by compelling members to remain in ignorance of what is required in other parts, unless they are prepared to pay their own travelling expenses.

Mr. JOSEPH COOK.—That is right. The more we spend the more we shall save.

Sir WILLIAM LYNE.—In this particular case the more we spend within reason, to enable honorable members to understand the subjects upon which they are required to legislate, the better it will be for the Commonwealth. The expense involved will be a mere bagatelle compared with the amount which may be saved in connexion with some of the items honorable members are called upon to consider, and it must be remembered that every year we have to deal with an increasing volume of work and a larger expenditure. I feel very strongly, also, that it would be niggardly on our part to prevent honorable members' wives from going to and from any part of Australia. In most cases the free travelling of honorable members' wives has been confined to the one trunk line to and from the home, but I do not think that even this restriction should be continued, because no abuses are likely to occur. The money which we spend in this direction is being contributed to the railways of the various States.

Mr. WILKS.—And is being kept in the country.

Sir WILLIAM LYNE.—It is being kept in the country; and it is not to be placed in the same category as that which is sent abroad for the payment of interest on loans. I am not interested in this matter personally, because I have used my own pass, and nothing more. The members of my family have not travelled one yard on the railways at the public expense. I think, however, that it is highly improper that there should be any carping at the expense involved in bringing honorable members' wives from other States to Melbourne, when we consider the long distances honorable members have to travel, and the great expense to which they are put. Some sarcastic remarks have been indulged in with regard to the proposal to afford facilities to honorable members for travelling to the various States during recess. I may mention that I have already received a telegram from Western Australia heartily approving of the proposal, and making certain suggestions with reference to it, and I know that a similar feeling will be evinced in the other States.

Mr. REID.—Hear, hear. Even the people of New Guinea are looking out for us.

Sir WILLIAM LYNE.—The amount voted last year was £10,000; but all that has not been spent, because a balance of about £1,000 remains. Honorable members will, therefore, see that we have not spent the money lavishly. I propose, and I am sure my colleagues will agree—unless the committee determines that honorable members and their wives are not to be permitted to travel free from State to State—to follow the course which has been pursued in the past, and which was adopted at my instance.

Mr. REID (East Sydney).—I think that after the manly, patriotic, and generous address we have heard from the Minister, all opposition to these Estimates should be withdrawn.

Mr. KIRWAN (Kalgoorlie).—I am very glad that the Minister takes such a liberal view of the proposal which I recently placed before him. The honorable and learned member for Corinella, and one of the daily newspapers of Melbourne, have referred to the proposal as another example of extravagance; but I do not think they have fully considered the need which exists for affording honorable members opportunities to

acquaint themselves with the requirements of the Commonwealth. What I suggested, was that during recess honorable members who desire to visit Western Australia should be supplied with free passes by the steamers trading between Adelaide and Fremantle. I also mentioned that whilst I was in Fremantle a few weeks ago I saw the Premier, and other members of the State Ministry, and many other prominent citizens, all of whom were delighted at the prospect of seeing as many members of this Parliament as could visit them during recess. The honorable and learned member for Corinella, and other Victorian members, should remember that the representatives of all the States have to come to Victoria. During the eighteen months we have been here, we have had ample opportunities for learning all about the resources and requirements of Victoria; but honorable members have not had equal facilities for acquiring knowledge regarding the resources and needs of Western Australia. That State lies out of the ordinary track of most honorable members, and surely those who desire to visit it during the recess, should have every facility offered to them. It must be remembered that if the Government are true to their promise, the subject of the transcontinental railway from South Australia to Western Australia must be discussed during next session.

Mr. POYNTON.—That work will have to be constructed out of loan moneys, I suppose.

Mr. KIRWAN.—The question of whether or not that work should be constructed out of loan funds was not considered in connexion with the vote recently taken. Honorable members would probably take an entirely different view if a work of a distinctly national character were proposed. Honorable members have made extensive trips into New South Wales in order to discover the most suitable site for the federal capital, and I believe that the money spent in defraying their expenses was well applied. In connexion with the transcontinental railway also, I feel satisfied that honorable members will be assisted in arriving at a proper decision if they have an opportunity of judging for themselves as to the progress recently made in Western Australia, and the absolute necessity for uniting that State by railway with the other States. I hope honorable members will agree to the

proposal of the Minister, and that all those who can visit Western Australia will do so. I am quite sure they will receive a hearty welcome from the Government and the residents of that State. The expense incurred by the Commonwealth will not be very great, but the visit of honorable members will probably result in benefit, not only to Parliament, but to the State of Western Australia and the Commonwealth generally.

Mr. WILKS (Dalley).—As this matter has been brought prominently forward by the honorable and learned member for Corinella, I think it is only right that it should be presented in its proper light, and that the electors should thoroughly understand what a good bargain they have made. The Minister for Home Affairs says that there still remains in hand £1,000 of the £10,000 voted last year to defray the travelling expenses of honorable members. That proves in the first place that there has been no abuse. In the next place I contend that the amount set down is a very small sum for the conveyance of members of the House of Representatives and of the Senate to all parts of Australia. If the suggestion of the honorable and learned member for Corinella had been adopted, the cost would have been a great deal more. Personally, I have travelled 68,000 miles on the railways during the last seventeen months, and my travelling has been less than that of a few other honorable members. Surely the honorable and learned member for Corinella would not ask those of us who live in other States to walk to our homes, or expect those who represent Tasmania to swim there? I might point out to the Minister for Home Affairs that the right honorable member for East Sydney has Lord Howe Island in his electorate, but no provision is made for paying his travelling expenses there. Surely the Lord Howe Islanders might expect to hear an occasional address from him. Too much is being made of expenses like this. The public do not expect their representatives to travel all over the continent at their own cost. I shall not be able to afford to travel to other parts of Australia in the recess, and I certainly shall not travel for pleasure. In a long session such as this has been, most of us have had more than enough railway travelling, and are not likely to pass our time in railway carriages for our own entertainment. A railway journey may be a very pleasant thing to the honorable and

learned member for Corinella, whose private residence may be in Bourke-street, or somewhere near at hand, but those of us who have to make long journeys twice every week view the matter very differently. I do not agree with the Minister for Home Affairs that members' wives should be conveyed free. It is, however, well that this matter has been referred to, so that it can be put in a clear light before the public.

Mr. SAWERS (New England).—I wish to know, in regard to the amount of £500 which is put down for the compilation of the *Seven Colonies of Australasia*, when the publication of the work is to take place?

Sir GEORGE TURNER.—The work is nearly completed. The amount set down here was not expended last year, and is being re-voted.

Mr. SAWERS.—When I was a member of the New South Wales Parliament I used to receive a great deal of statistical information, which is not sent to me now. Will the work, when published, be posted to honorable members?

Sir WILLIAM LYNE.—As I pointed out on a former occasion, the *Seven Colonies of Australasia* is a work which was formerly compiled by the Government statistician of New South Wales at the expense of that State; but, as the New South Wales Government was indisposed to continue the publication, I induced my colleagues to put this sum upon the Estimates to provide for the work being done by the Commonwealth. I believe that it is nearly completed, and the moment copies are ready they will be distributed to honorable members.

Mr. CONROY (Werriwa).—I think that the amount set down for railway travelling is a very proper one, and I trust that the committee will support it. I do not think that it is any too large. It would be a good thing for the Commonwealth if honorable members could make themselves better acquainted with the conditions of States other than their own before legislating concerning them. The Premier of Queensland was very anxious that members of this Parliament should visit that State before passing certain legislation which seriously affected Queensland, and it has since been urged that had they done so that legislation would not have been passed. Similarly in the future we may be called upon to pass legislation specially affecting, say, Western Australia or South

Australia. At any rate, honorable members will continually be asked to vote upon measures affecting States other than those which they represent, and it is, therefore, desirable that they should visit them. I do not think, however, that many of us will make railway trips for pleasure during the coming recess. Our expenses during the session have been so heavy that, if we include our election expenditure, they will not be covered by our allowances. Most of us, therefore, will have to devote the whole of our energy during the recess to getting back our lost incomes. I shall have nothing but commendation for the man who is so patriotic as to incur further expense in visiting other States. Even if honorable members did travel merely for pleasure, they could not help deriving instruction and information from their journeys at the same time. I did not understand the honorable and learned member for Corinella to suggest that railway passes should not be given to honorable members. Perhaps if there had been no passes some of us would have been better off, because we should not have been expected to travel here so frequently. The honorable and learned member only pointed out that certain expenses were being incurred which he did not quite agree to, and it was quite competent for him to do that. The amount set down for railway travelling is really very small, and I shall certainly vote for the item.

Mr. JOSEPH COOK (Parramatta).—I think that it is of the greatest importance that the Commonwealth should have a statistician of its own at the earliest moment. The compilation of statistics affecting the Commonwealth and the State should be under our own control, and the information when compiled might be made available to both Commonwealth and State authorities.

Sir WILLIAM LYNE.—The matter has been discussed by the Cabinet, but it was considered that it would be necessary to pass an Act before we could do what the honorable member suggests.

Mr. JOSEPH COOK.—I do not see why the passing of an Act should be necessary, but in any case the arrangement should be made as soon as possible. The last edition of the *Seven Colonies of Australasia* does not contain figures of a later date than 1900, and I am glad to hear that a new edition is shortly to be issued. The work has been of immense value to us in the discussion of

Commonwealth affairs, and has indeed become an absolute necessity, but there is still a great deal of detailed information which we cannot obtain from it, and for which we have to search the *Statistical Registers* of the States. The sooner all statistical information is collated by a Commonwealth bureau, the better it will be for everybody. It will mean more expense to the Commonwealth, but it will result in savings to the States, and, I think, bring about more accurate and complete compilation.

Mr. O'MALLEY (Tasmania).—I have great sympathy with the Minister for Home Affairs in regard to the criticism which has been levelled against the item providing for the travelling expenses of members. If we listen to the *Age* and the *Argus* in these matters we shall be coming here dressed as Adam was in the garden of Eden. They growl at every expense which is incurred by this Legislature, however necessary it may be. They want Members of Parliament to be clothed almost in the primitive fashion of "Tiger Cat," an Indian chief, who was captured in Arizona in 1885, and whose first question was—"What do they think of me in New York?" Here every little item in connexion with travelling expenses has to be accounted for. Yet a member of the United States Congress draws £1,000 a year, and is allowed £350 for expenses. Further, there is a Bill before Congress at the present time to increase that salary to 2,000 guineas. Of course, all this money is not spent upon the gilded-spurred, high-toned roosters. A little of it is reserved for the people. Did honorable members come here to be told that the veriest details of expenditure are to be set out in these Estimates? I have the greatest respect and sympathy for the representatives of Victoria. The deluge of my compassion flows out to them, because when they rise to speak I always know that they have to dance to a certain tune.

Sir MALCOLM McEACHARN.—Surely that is very insulting.

Mr. O'MALLEY.—I will withdraw the remark and put it another way. When brother Jasper in Virginia was describing the electric telegraph to the scared negroes he said—"Well, brethren, if we had a dog long enough to have his tail here and his head in San Francisco, when I pinched his tail here he would bark in San Francisco." That is exactly the position here. The *Age* and *Argus* pinch the tails of the Victorian

representatives in Collins-street, and they bark economy in this Parliament.

Mr. FOWLER (Perth).—I wish to congratulate the Minister for Home Affairs upon his vindication of the right of honorable members to put themselves in such a position that they will be able to legislate intelligently for the whole of the Commonwealth. When the honorable and learned member for Corinella was speaking I interjected once or twice with a view of discovering exactly the form of travelling expenses to which he objects. I find that he objects particularly to an alleged pic-nic by some honorable members who may wish to visit Western Australia. I am aware that the term "pic-nic" is applied to all travelling undertaken by members of this Parliament by a certain section of the Victorian press. At the same time, I very much regret that that cry has been raised in this Chamber. I can assure the honorable and learned member for Corinella that the people of Western Australia will not regard any visit to that State by the members of the Commonwealth Parliament as partaking of the nature of a pic-nic. They will regard it as a visit which ought to be made by every member of this Parliament who has not previously been in that State. My honorable colleague has alluded to the question of the construction of the trans-continental railway. At a very early date we are hopeful that that subject will be discussed by this House. It is one which is very dear to the hearts of all residents of Western Australia, and I do not think I am exaggerating when I say that the hope of having that railway built was one of the principal reasons which induced Western Australia to join the Federation. Under the circumstances, it is only fair to expect members of this Parliament to discuss that question with some knowledge of local conditions. The representatives of Western Australia are perfectly willing that it should be discussed absolutely upon its merits. But, I ask, is it possible for such an important matter to be debated in an intelligent way by people who have not visited that State? If Western Australia were merely a barren desert, containing a few gold deposits here and there, there possibly might be some justification for refusing to undertake the construction of that line. But we are perfectly willing to allow honorable members to ascertain for themselves whether the

demand for its construction is a reasonable one—whether it is likely to prove a financial success, or a burden upon the Commonwealth. All that we ask is that honorable members shall be enabled to bring some local knowledge to bear upon the discussion of that matter. I will go so far as to say that if this Parliament seriously objected to any expenditure which might be incurred in respect of honorable members visiting Western Australia, the Legislature of that State would be only too glad to bear that expenditure.

Mr. G. B. EDWARDS.—We could not allow that.

Mr. FOWLER.—I hope that this House will be sufficiently seized of the justice of the request to render it unnecessary for the State Legislature to bear any expenditure in this connexion.

Mr. POYNTON (South Australia).—I think that the Minister for Home Affairs should be very grateful to the honorable and learned member for Corinella for directing the trend of the debate from the real subject at issue. Personally, I do not intend to lose sight of the main feature connected with these Estimates. I want a good deal more information than has yet been given in respect of a number of items relating to office fittings and furniture. I would point out that an amount of £11,463 is provided for that purpose, and that of the total vote for Division No. 22, £6,323 is "new" expenditure.

Sir WILLIAM LYNE.—To what item does the honorable member refer?

Mr. POYNTON.—I am referring to the total under "Works and buildings," on page 23. I would further direct attention to the fact that the sum of £2,850 is provided for "travelling expenses," and an additional £1,050 for "incidental and petty expenses."

Sir WILLIAM LYNE.—The item of £1,500 for travelling expenses in the department of the Public Service Commissioner covers the travelling expenses of the inspectors who have to visit the other States for the purpose of regrading the service.

Mr. POYNTON.—Then I should like to know what is meant by "temporary assistance?"

Sir GEORGE TURNER.—It means that instead of employing clerks who hold permanent appointments, when there is rush of work—as there was in connexion with the

preparation of my Budget statement—temporary hands are engaged.

Mr. POYNTON.—The Estimates for the department for Home Affairs differ very materially from those of other departments. To my mind, there is ample room in them for affecting a considerable reduction.

Sir WILLIAM LYNE.—Will the honorable member refer to specific items?

Mr. POYNTON.—I would direct the Minister's attention to the amount of £650 which is set down for "travelling expenses" under subdivision (2) of division 18. Immediately beneath it is a sum of £200 for "temporary assistance." Then, again, under subdivision (2) of division 19 appears an item "Travelling expenses, £300," another of "Temporary assistance, £300," and a third of "Incidental and Petty expenses, £50." Similarly on page 21 the large amount of £1,500 is provided for travelling expenses in connexion with the department of the Public Service Commissioner, a further sum of £500 for "temporary assistance," and still another amount of £750 for "incidental and petty expenses." The items relating to office fittings and furniture to which I have already referred appear on pages 22 and 33, but the total amount is given on page 23.

Sir WILLIAM LYNE.—The honorable member forgets that that sum is for the whole of the departments of the Commonwealth.

Mr. POYNTON.—The figures show that the new expenditure is increasing by leaps and bounds.

Sir GEORGE TURNER.—But we must furnish our new offices.

Mr. POYNTON.—That is so; but we require a lot in addition to mere furniture. Then, again, I was under the impression that we had paid the cost of the Parliamentary inspection of the capital sites. But I see that on page 24, there is an amount of more than £1,000 provided in this connexion.

Sir WILLIAM LYNE.—That is to defray the expenses of the board of experts which is to be appointed to report upon the eligible sites.

Mr. POYNTON.—Are we to understand that that is the total amount to be expended upon the board?

Sir WILLIAM LYNE.—There is another item upon the Estimates to cover the expenses of the board which will be asked to

value the properties taken over by the Commonwealth.

Mr. POYNTON.—The Minister is now giving me information which honorable members could not obtain the other night. I asked the other night what would be the expenditure in connexion with the visit of the experts to the proposed federal capital sites, but the Minister could not give me the amount. We now understand that the total expenditure on this score is estimated at £1,500, and I shall be delighted if that prove the maximum.

Sir WILLIAM LYNE.—I hope that will be the maximum; it is as near the amount as we can guess.

Mr. POYNTON.—I do not think that the Minister would tie himself down to that amount. I move—

That the vote, "Administrative staff, £6,411," be reduced by £2,000.

Mr. MAHON (Coolgardie).—Any criticism of the Estimates should be reasonable, and honorable members ought to attack only such items as warrant attack. I do not propose to refer to matters which have already been dealt with, and shall only call attention to the item—"Bank exchange payable in respect of the business of the department within the Commonwealth, £25." Although the amount in this case is small, if honorable members look through the whole of the Estimates, as I have done, they will find that bank charges in the various departments total nearly £7,000.

Sir GEORGE TURNER.—I know these charges come to a considerable sum.

Mr. MAHON.—I cannot understand why some of these departments should have any bank charges at all. Why should the Customs department, when a merchant pays duty on goods, not insist on that merchant adding the bank charges to the cheques? Could not the Postal department, with its money order office and saving bank, discharge the functions of a bank, and thus save these charges?

Sir GEORGE TURNER.—All moneys must be paid into banks, unless, as may ultimately be done, we make the Commonwealth Treasury the bank of the Commonwealth to deal with all the Commonwealth's own funds. We cannot do that at once, because we want some experience.

Mr. MAHON.—When a cheque is received by a Customs officer, say in Fremantle, why can it not be paid to the Commonwealth account in the local Post-office

Savings Bank, or money order office, and credit given in the same way as is done by a bank? It is very seldom that banks transmit coin, they rarely, if ever do so in individual transactions; there is merely a letter written from the branch to the head office, and, under the circumstances, it seems ridiculous that in this connexion the Commonwealth should be put to the expense of £7,000 a year.

Sir GEORGE TURNER.—We are dealing with £11,000,000 receipts, and £11,000,000 expenditure, and we must pay some exchange; we cannot expect the banks to do the work for nothing.

Mr. MAHON.—But how much coin actually passes from one State to another?

Sir GEORGE TURNER.—Banks charge exchange on cheques to all their customers, and the Commonwealth is only an ordinary customer.

Mr. MAHON.—And a great piece of extortion it is on the part of the banks. For instance, they charge from 1½ to 2 per cent. exchange between Melbourne and the gold-fields, when all that is done is merely to write a letter.

Mr. SALMON.—A State bank is the only remedy.

Mr. MAHON.—Not at all; there is a remedy without setting up a State bank.

Sir GEORGE TURNER.—We use adjustment to the fullest possible extent in order to save exchange. We have large amounts to remit to the States from time to time, but we do not bring the money to Melbourne and send it away again, but get one State to remit to another.

Mr. MAHON.—In view of the expenditure of £7,000, the adjustment does not seem to be very successful.

Sir GEORGE TURNER.—As soon as I can get an opportunity in recess, I propose to look into the whole question of exchange.

Mr. McDONALD (Kennedy).—I quite agree with the proposed reduction of the amount in this division. There is provided for here a secretary at £750 per annum, a chief clerk at £600, a chief accountant at £550, and a senior clerk at £450. The sixteen clerks employed in this branch are paid a total of £4,022, and of that amount the four first receive £2,350. This department could be run much more cheaply, and I hope that if the amendment be carried the outrageous salaries of some of these gentlemen will be reduced.

Mr. MAHON.—These officers had to be obtained from the States departments.

Mr. McDONALD.—When the department was being organized there was no need to get officers at these expensive salaries, seeing that at present there is not a considerable amount of work.

Sir WILLIAM LYNE.—I beg the honorable gentleman's pardon ; the officers have more work than they can do.

Mr. McDONALD.—I should like some further information as to the amount of work. Whenever an attempt is made to reduce estimates in the way proposed, honorable members are told that the officers have more work than they can do ; but when popular feeling is expressed it is generally ascertained that not only are the men not overworked, but that a considerable number can be dispensed with. It is simply ridiculous to think that the officers in this new department are overworked, but if they are they should be paid smaller salaries and more men should be engaged. It is quite evident to me that it is the men with the small salaries, and not those at the head, who do the work.

Sir WILLIAM LYNE.—I cannot allow the remarks of the honorable member for Kennedy to go uncontradicted. I am sure that had the honorable member known what work is done in the department by the officers he has mentioned he would not have spoken of them in the way he has done. I altogether differ from the view taken by the honorable member, and hold that the best policy is to pay men reasonably and make them work well. The officers in this department do their work efficiently, and are not paid salaries that are too high. Except it may be in the small States, it is scarcely possible to find a similar department in which such low salaries are paid.

Mr. McDONALD.—There is a good deal of extravagance in the States.

Sir WILLIAM LYNE.—The honorable member has said that when there is a public outcry, it is usually found that the men are not overworked, and that it is easy to reduce their number ; but the little outcry I have heard through the press on one or two occasions has not affected me in that way. On the contrary, I have found that the officers in this department work very hard, as is shown by the fact that during the last six or eight months they have worked until eight and ten o'clock night after night. I hope honorable members

will not take the view that the proper policy is to pay officers such salaries as compel them to live in a condition of genteel starvation. I have always held that the best officers are obtained when in return for good work they are well paid, and I hope the item will not be reduced in the way proposed. Indeed, if the amendment be adopted, I do not know how I shall be able to carry on the department. Honorable members forget that the Home department is probably the largest in the Commonwealth, and has the most subjects to deal with. And, further, it must not be forgotten that we are not dealing with one State, but with the whole of the Commonwealth. That makes a vast difference in the volume of accounts and papers which pass through the department in the course of the twelve months. All this tends to make the department appear large, but I am sure honorable members will take my word that there is no extravagance, and that the officers do their work well and creditably for salaries, which cannot be described as too high. When the officers do their work earnestly and efficiently, we should stand by them and see that their salaries are not reduced below a figure on which they can reasonably live.

Mr. McDONALD (Kennedy).—I do not wish it to go forth that I desire to pay any body of men miserable wages. I have merely pointed out that of the sixteen officers in this division, four of them draw nearly two-thirds of the total amount paid in salaries. If any miserable wage is paid is it not paid to the other twelve clerks?

Sir WILLIAM LYNE.—That is not so.

Mr. McDONALD.—The Minister seems quite prepared to battle for those officers who receive salaries ranging from £450 upwards, but does not show much energy in any effort to obtain better terms for the clerks below that rank.

Sir WILLIAM LYNE.—The honorable member never knew me to attempt to underpay any officers.

Mr. McDONALD.—It is useless for the Minister to try to make out that there is such an enormous amount of work. I do not wish to reflect in any way on the gentlemen who fill the higher positions to which I have referred, but I certainly think that the amounts paid to them are too high. The secretary is fairly paid at £750 a year, but I think that the salary of the chief clerk might well be reduced to £450 or to £500,

that of the chief accountant to £400, and that of the senior clerk to £350. It appears to me that when the department was established due regard was not paid to economy. The secretary should be a man qualified to supervise, but all the others I have mentioned do mere clerical work. In my opinion, the clerk who is paid £250 does just as important work as that done by the chief clerk with £600.

Sir MALCOLM McEACHARN (Melbourne).—I think it is too much to ask the committee to reduce this division by £2,000, though there is some reason for the comments made by the honorable member for Kennedy. It is essential that the chief man should be paid a good salary, but I do not see the necessity for four or five clerks at the high salaries here proposed. However, it is difficult to get really good men, and the Minister must have the best men obtainable.

Mr. MAUGER (Melbourne Ports).—I am anxious to be as careful as possible in regard to expenditure, but if we adopt the amendment we shall be proceeding in a haphazard fashion. We shall not know who will suffer by the reduction, and it is possible that the very men whom it is desired to serve may have to bear the brunt. We agreed to these salaries on the last Estimates, and should not attempt to deal with them in this way now. I quite recognise that if vacancies occur, the Government should be careful about making fresh appointments. The honorable member for Kennedy will not pretend that he knows anything about the duties which have to be carried out by the officers of the department. He can only make haphazard suggestions. I am anxious to reduce expenditure, but we should know the consequences of the votes we give. It is unfair to attack salaries in this random way. I would not be a civil servant under present conditions for three times the salary most of them receive. Either the Minister in charge knows the requirements of his department, or he has no right to be in his present position. To take off £2,000 without knowing the effect of the reduction would be to act in a way that is anything but statesmanlike.

Mr. MAHON (Coolgardie).—I could not support a motion to reduce these Estimates by £2,000. The arguments advanced in regard to some of the salaries paid should rather be directed towards the removal of the Government from office, because if we

cannot trust the Minister, who is responsible, and should know how much every officer is worth, he should be shifted. That is the logical course to take, not to reduce the Estimates haphazard by a lump sum without knowing whether the officers are worth so much money or not. The only comparison we can make which will throw any light whatever upon the present position is to compare the department with any great banking institution in Australia. Do honorable members mean to say that no chief accountant or chief clerk in any banking institution in Australia receives £600 or £550 a year? The suggestion is absurd. The chief men who control the business of these great institutions are highly-salaried officers.

Mr. McDONALD.—But some of them have to control £8,000,000 or £10,000,000, whilst this department spends less than £100,000.

Mr. MAHON.—The Home department deals not only with money, but with other very important matters also. A really good man in this department could save his own salary on a few transactions.

Mr. McDONALD.—The head of the department ought to do that.

Mr. MAHON.—The head of the department is the responsible Minister, and if he cannot be trusted to see that the men who receive these salaries earn them, the proper course for Parliament to take is to shift him. It is not true economy to make reductions such as are proposed.

Mr. SALMON (Laanecoorie).—I cannot agree with either of the last two speakers. The honorable member for Melbourne Ports says that because we have previously discussed these salaries we should not criticise them again. If that contention be correct, it is of no use to bring these Estimates before the committee at all. There is one new position in these Estimates, and that is that of senior clerk and secretary to the Minister.

Sir WILLIAM LYNE.—The salary was on the previous Estimates, but to save expense the money was not paid.

Mr. SALMON.—I thought this was a new appointment. There is an anomaly in connexion with some of the departments. The head of the Home department receives less than the heads of some other departments, but there are officers immediately following him who receive more than the salaries paid to similar

officers in other departments. No doubt there has been a great amount of work to do in the Home department, but surely the work done by the accountant does not exceed that done by the accountant in the Treasury who has to check the accounts of all the other departments. Yet the accountant to the Treasury is to receive but £420, whilst the accountant to the department for Home Affairs receives £550. Then, again, the Chief Clerk of the Home department receives £600 a year, whilst the Chief Clerk in the Treasury receives little more than half, namely, £335. Is the work more arduous in the Home department than the Treasury? I do not think so. In the absence of any specific statement from the Minister that the Home department officers have more work to do of a more intricate character, requiring greater ability, experience, and industry, my opinion is that there should not be these differences between the officers in respective departments. It is quite right that the Commonwealth should pay good salaries. The Commonwealth service should be the cream of all the services of Australia, and we ought to get the best men, but should exercise the greatest possible discretion in respect of the number of officers employed. That is where the great danger arises. I am sorry to see the increase of numbers in some of the departments. The Minister has said that his department will expand more than any other. I quite believe him, but I enter my protest against the multiplication of officers.

Mr. SYDNEY SMITH (Macquarie).—Every honorable member is desirous of exercising the strictest economy in the Commonwealth offices. We have taken a great deal of trouble in framing the Public Service Act, which will soon be in force. A Commissioner has been appointed to administer the Act, and I compliment the Government upon having selected a very able, painstaking and trustworthy officer to fill that position. I feel sure that the Commissioner is a man who can be trusted to discriminate between a good and a bad officer. He will have power to make reductions in the number of officers employed if he thinks it desirable. In New South Wales the Public Service Commissioner had very extensive powers in regard to reductions and the re-arrangement of offices. Here he will have power to make a searching inquiry into every department,

in order to ascertain what the officers are doing, whether the proper men have been appointed, whether the salaries being paid are too high or too low, and whether the departments are overmanned. When that has been done we shall be able to review the whole position.

Mr. GLYNN.—The whole Estimates can then be varied.

Mr. SYDNEY SMITH.—Yes; it is difficult for us to express an opinion upon the merits of the various officers. We do not come in contact with these men. We have placed all the departments under the Commissioner, with a view to put an end to political influence, and to enable the service to obtain justice. I feel that we shall have to be content with the explanation that has been given, and I am more inclined to be satisfied because of the fact that I know an officer has been appointed who will see that the departments are not overmanned, and that the salaries are in accordance with the work done. It is very difficult for honorable members to bring about any reduction in the salaries or the number of officers. We have to depend to a large extent upon the report of the Minister, just as we shall have to depend upon the Commissioner's report.

Mr. MAUGER.—And the Commissioner will be responsible.

Mr. SYDNEY SMITH.—He will be responsible to us.

Sir WILLIAM LYNE.—He will be able to make a re-adjustment of the salaries right through the departments.

Mr. SYDNEY SMITH.—That was understood. One of the strong reasons put forward for passing the Public Service Bill was that it would remove all officers beyond the power of the Minister. I merely mention these facts in order to show that in view of the explanation which has been given, it is impossible for me to vote for the proposed reduction.

Sir MALCOLM McEACHARN (Melbourne).—I rise simply to point out that the papers put before us are somewhat misleading. It is true that they refer us to the fact that the expenditure shown for last year was for only a portion of the year; but, in looking over the Estimates for last year, I find that we voted £3,895 for salaries of the administrative staff. Therefore, the increase shown here is only £127 in excess of the sum which we passed on the last Estimates.

Sir GEORGE TURNER.—The department for Home Affairs has also taken over from the department for External Affairs some expenditure in relation to messengers.

Sir MALCOLM McEACHARN.—That accounts for the difference. Upon these figures there is nothing to criticise.

Mr. BROWN (Canobolas).—I am thoroughly in sympathy with every effort to keep the expenditure, not only of this, but of all Government departments, within reasonable limits, but I think it would be a great mistake, on the plea of retrenchment, to sacrifice efficiency. We should have some regard to the efficiency of the departments. The department under review is perhaps one of the most important in the Commonwealth. It has the control of nearly all internal affairs, and, through the Public Service Commissioner, has largely the control of the whole civil service of the Commonwealth. Whilst it is most undesirable that the service should be overloaded, those who are charged with responsible duties should be well paid for their services. To so reduce the remuneration that the services of the best men could not be obtained, would be a penny wise and pound foolish policy. A mistake made by a leading officer in charge of a large department like this might involve the Commonwealth in a loss of thousands of pounds. I happen to know some of the gentlemen who hold positions in this department, and who previously filled important offices in the States services. I consider that in appointing them eminently suitable selections were made. I do not see anything in the item to which I should care to take exception upon the score of economy, nor do I think the department is overmanned. It has to do the pioneering work of organizing the whole service, and necessarily a very considerable amount of labour now falls upon the shoulders of these officers, which will hereafter be greatly reduced. It is very desirable in the interests of the Commonwealth that this initial work should be well done. If it could be shown that the department was overmanned I should be prepared to support the proposed reduction, but from my own knowledge of the work, as well as from the arguments I have heard, I am convinced that the officers who have been appointed are necessary. It would be very unwise to sacrifice efficiency to the mere plea that we should keep down expenditure.

Mr. A. PATERSON (Capricornia).—I am just as anxious for real economy as is any honorable member, but we must not sacrifice efficiency to economy. The amendment to reduce this amount by £2,000, is ridiculous. I am sure that the economists of the committee will completely alienate the sympathy of those who would otherwise be inclined to support them by pressing such a proposal. I should favour a reduction of £400 or £500, knowing that the Minister could easily re-arrange the department, so as to effect that change. Anything more than that, however, would involve a sacrifice of efficiency. It would be of no advantage to the Commonwealth, and would act as a discouragement to good officers.

Question—That the vote, "Administrative staff, £6,411," be reduced by £2,000—put. The committee divided.

Ayes	...	...	...	3
Noes	...	...	...	30
				—
Majority	...	...	...	27

AYES.

McDonald, C.

Tellers.

Batchelor, E. L.
Poynton, A.

NOES.

Bamford, F. W.
Bonython, Sir J. L.
Brown, T.
Clarke, F.
Cook, J.
Cruickshank, G. A.
Deakin, A.
Edwards, G. B.
Fuller, G. W.
Glynn, P. McM.
Isaacs, I. A.
Kirwan, J. W.
Lyne, Sir W. J.
Macdonald-Paterson, T.
Mahon, H.
Mauger, S.

McCay, J. W.
McEacharn, Sir M. D.
O'Malley, K.
Page, J.
Paterson, A.
Quick, Sir J.
Salmon, C. C.
Solomon, E.
Turner, Sir G.
Watson, J. C.
Wilkinson, J.
Wilks, W. H.

Tellers.

Cook, J. H.
Smith, S.

Question so resolved in the negative.

Motion (by Mr. POYNTON) proposed—

That the vote "Administrative staff, £6,411," be reduced by £500.

Mr. SALMON (Laanecoorie).—I should like to know what reason the honorable member has for reducing the vote by that sum. Is it his intention to attack any particular item?

Mr. POYNTON.—Yes. Travelling expenses and temporary assistance.

Mr. SALMON.—I am in favour of reducing those votes.

Sir WILLIAM LYNE.—I desire to say that when I spoke upon the subject before, I overlooked the fact that this item is as large

as it is in consequence of our having had to borrow officers from three different States, and the travelling allowances allowed in those States were paid to those officers while they remained here. The course adopted avoided the necessity for appointing fresh officers who could not have been fully employed for a long time. I may add that, in connexion with this department, overtime has been worked to the extent of 3,000 hours for the twelve months, and that has not been paid for. There have been between 9,000 and 10,000 communications per annum dealt with, 8,500 accounts received, examined, and certified, besides a considerable amount of work in connexion with regulations for public works and the Electoral and Public Service Acts.

Mr. PAGE.—Am I to understand that, under this heading of travelling expenses, the Minister includes allowances?

Sir WILLIAM LYNE.—No. In each State a certain scale for travelling expenses is allowed, from 15s. per day downwards, according to the grade of the officer travelling. The officers borrowed from the States received travelling allowances or expenses according to the regulations in force in their States, and only for the time they travelled. We have no regulations as yet under our Public Service Act, fixing a scale of travelling allowances, and we adopted the scale in force in the State from which the officers were borrowed.

Mr. SALMON (Laanecoorie).—I should like to know if this £650 is all for railway fares, or whether the living expenses of those who travel are included in the amounts?

Sir WILLIAM LYNE.—I understand that everything is included in this amount.

Mr. McDONALD (Kennedy).—I understand that officers when travelling get their railway fares, and from 15s. per day downwards as expenses in addition.

Mr. MAHON.—They must have three meals a day, and sleep in a bed at night.

Mr. McDONALD.—We must do the same, but we are not paid these expenses.

Mr. MAHON.—Two wrongs do not make a right.

Mr. McDONALD.—No; but a lot of these people live very extravagantly when they are knocking round in this way, and I think that 15s. a day is too much.

Question.—That the vote "Administrative staff, £6,411," be reduced by £500—put. The committee divided.

Ayes ...	...	...	...	9
Noes ...	...	...	...	24
—				
Majority	...	...	...	15

AYES.

Bamford, F. W.	Poynton, A.
Batchelor, E. L.	Salmon, C. C.
Edwards, G. B.	<i>Tellers.</i>
McDonald, C.	McCay, J. W.
Paterson, A.	Wilkinson, J.

NOES.

Bonython, Sir J. L.	McEacharn, Sir M. D.
Brown, T.	O'Malley, K.
Clarke, F.	Page, J.
Cook, J.	Smith, S.
Cruickshank, G. A.	Solomon, E.
Deakin, A.	Turner, Sir G.
Glynn, P. McM.	Watkins, D.
Issacs, I. A.	Watson, J. C.
Kirwan, J. W.	Wilks, W. H.
Lyne, Sir W. J.	
Macdonald-Paterson, T.	<i>Tellers.</i>
Mahon, H.	Cook, J. H.
Mauger, S.	Fuller, G. W.

Question so resolved in the negative.

Mr. BATCHELOR (South Australia).—I move—

That the vote, "Administrative staff, £6,411," be reduced by £250.

The object of the motion is to get a clear division upon the question of reducing the vote for travelling expenses. I remind honorable members that £1,500 was voted for contingencies last year, and the vote set down for this year is £2,389, or an increase in one year of £800 for contingencies alone. The vote required for officers' salaries is not much greater than last year, and as only £100 more is asked for, there cannot be many more officers. But the vote for contingencies has gone up from £1,500 voted last year, and £1,736 spent, to £2,389. Under these circumstances, honorable members will agree with me that this vote can well stand the reduction.

Mr. GLYNN (South Australia).—I really think that we do not do anything in the way of economy by these petty parsimonies.

Mr. POYNTON.—That is the argument every time.

Mr. GLYNN.—No. The honorable member is most economical and parsimonious in small matters, but in matters involving large expenditure he, like many of us, is sometimes very lavish. We sometimes support an amendment in a Public Service Bill, for instance, involving an addition to the ordinary expenditure of £40,000 to £50,000 a year.

Mr. POYNTON.—That was to give a fair salary to men who are not getting £100 a year; and this is to fatten men who are getting £750 a year.

Mr. GLYNN.—That does very well on the public platform, but it does not go down when we are speaking seriously here of economies to be practised by a Treasurer who gets £11,000,000 of revenue. I cannot support this proposal. I remember that we have had discussions in our local Parliaments upon the scale of travelling expenses allowed to some members of the public service, and we have found that it has been, in cases, low, officers of the middle grade being, it was said, at times out of pocket under the scale. That is the very scale which is being applied now, and, under the circumstances, I appeal to honorable members not to make these petty objections.

Mr. POYNTON.—That is only dust thrown in the honorable and learned member's eye. This money will not be paid upon that scale at all.

Mr. GLYNN.—The Minister has told us that he adopted the scale in force in the States.

Mr. POYNTON.—I suppose they will starve on 15s. a day.

Mr. GLYNN.—That is *ad captandem* also, because very few men in South Australia get 15s. per day. A few at the top of the department may get that amount, and to prevent that the honorable member would cut off something from a vote which will be apportioned amongst all. I know that in discussing the position of officers in the railways and police in the State Parliament it was said that some of them were out of pocket in connexion with travelling expenses.

Mr. POYNTON.—Why not move that the Estimates be taken as read?

Mr. GLYNN.—That does not follow at all. There is such an immense amount of what legal men call *non sequitur* in the honorable member's arguments that it is utterly impossible to meet him upon any ground. I cannot join with my honorable colleagues in cutting down this item by £250 with a view of securing any economy that will help the finances of the State.

Mr. BATCHELOR (South Australia).—The last speaker has rated my honorable colleague, Mr. Poynton, for practically straining at the gnat and swallowing the camel. I do not think it is fair to indulge

in such criticism. The honorable and learned member referred to a vote given for the purpose of insuring to men at least a living wage which the community is prepared to stand. It is quite another thing to vote a large sum for travelling allowances in one department. This small administrative department is asking for £400 more for this purpose than is any of the other departments, notwithstanding that some of them are much larger. To accuse honorable members of petty parsimony because they will not swallow these amounts without a word is absurd. It is not a case of petty parsimony, but a case of scrutinizing estimates which are submitted for our decision, and reducing the expenditure where there seems to be a reasonable ground for taking that course. We are not proposing to do any harm to any public servant, to reduce his salary below a living rate, or to do anything of that kind, but to fairly reduce what seems, judging from the expressions of opinion from all sides here, an extravagant estimate of the requirements for the year.

Amendment negatived.

Vote agreed to.

Division 19 (*Electoral Office*)—£1,988.

Mr. PAGE (Maranoa).—I should like the Minister to explain why he is asking the committee to vote £450 for the chief electoral officer this year as against the £348 voted last year.

Sir WILLIAM LYNE.—That amount will be attached to the office when it is filled permanently. The present occupant of the office is getting £225, but that is in consequence of his receiving a pension in New South Wales. After the Electoral Bill is passed, a permanent appointment must be made, when the whole sum of £450 will have to be paid to the officer.

Mr. PAGE.—Why vote the whole sum on the Estimates if it is not being paid?

Sir WILLIAM LYNE.—Because he will be appointed almost directly.

Mr. McCAY (Corinella).—I hope that, in carrying out the provisions of the Electoral Act, the Minister will decentralise as far as possible with regard to the preparation of the rolls in each State, and not require all matters to go through the central office. I also hope that he will find it possible in each State to utilize the services of some officer who is fully acquainted with its electoral work, because

in that way I believe he will be able to save a considerable sum.

Vote agreed to.

Progress reported.

SPECIAL ADJOURNMENT.

Resolved (on motion by Mr. DEAKIN)—

That the House at its rising adjourn until 11 o'clock to-morrow morning.

House adjourned at 11.22 p.m.

House of Representatives.

Wednesday, 1 October, 1902.

Mr. SPEAKER took the chair at 11 a.m., and read prayers.

PROPOSED MILITARY APPOINTMENTS.

Mr. PAGE.—I should like to draw the attention of the Acting Minister of Defence to the following paragraph, which appears in this morning's *Age*:—

Strong pressure is being brought to bear on the Acting Minister of Defence to import from England a highly-trained English officer, who is to take rank over Australian officers, and fill the position of director of artillery. General Hutton has, it is alleged, urgently pressed for an appointment, and has secured, as an ally, Mr. G. H. Reid, the leader of the Opposition, who is said to have written to Sir William Lyne, pressing the claims of a certain candidate. Members are desirous that the Minister should make a statement on the subject before Parliament gets into recess, so that if Australia has not an officer competent to take the vacant post, and it is really in need of a trained expert from England, Parliament should be made aware of the position.

Is there any truth in that statement? Has the Minister been approached on the subject, and is it his intention to provide the Commonwealth with another military expert in addition to Major-General Hutton?

Sir WILLIAM LYNE.—The newspapers get hold of a great deal of information, but most of it is incorrect. A recommendation was made by the General Officer Commanding of the appointment of other officers, one of whom is, I believe, an English artillery officer, but they have not been appointed. I intend to explain this and a good many other things when the committee is dealing with the Defence Estimates, but I do not think that I should make a statement on the subject until then.

Mr. PAGE.—Is it true that the leader of the Opposition has recommended the appointment of an English artillery officer?

Sir WILLIAM LYNE.—A great many people recommended the appointment of this particular individual, and I do not want it to appear that a prominent politician, such as the leader of the Opposition, is the only one who has made a recommendation in favour of the appointment.

Mr. McDONALD.—Is it the intention of the Government to make the appointment?

Sir WILLIAM LYNE.—The appointment has not been made, and I do not think it is likely that it will be made.

Sir JOHN QUICK.—Who is the officer recommended?

Sir WILLIAM LYNE.—A Colonel Buckley, I believe.

Mr. O'MALLEY.—Is there any truth in the rumour that the civil authority whom the Minister represents in the Defence department has become merely a recording stamp in the hands of the military authority. Major-General Hutton, and that in the recess, when this House cannot interfere, a military man will be appointed.

Sir WILLIAM LYNE.—In view of the honorable member's questions the other day about offensive and defensive military operations, if I were about to appoint a military officer I might think of him. The question just asked is not a fair one, because the honorable member knows that in this case, as in others, I have resisted the recommendations of the military authorities.

Mr. PAGE.—Is it the intention of the Minister to appoint this officer or is it not? I desire a straightforward answer.

Sir WILLIAM LYNE.—I am always glad to give a straightforward answer to a straightforward question. So far as I am concerned, he is not likely to be appointed.

DUTY ON RED TAPE.

Mr. GLYNN.—Is it a fact that, while ordinary tape is admitted free of duty, red tape is classified as cordage, and charged accordingly? Is that an indication of the desire of the department to put a stop to the use of red tape?

Mr. KINGSTON.—Ordinary tape is a minor article for the manufacture of apparel and attire, and is therefore admitted free of duty, but red tape cannot come under that classification, to whatever base uses my honorable and learned friend may put it. I am aware that it is used to tie up briefs,

but, notwithstanding my love of the legal profession, to which we both belong, I do not think that the imposition of a duty upon red tape is a serious ground of complaint.

DUTY ON IMITATION JEWELLERY.

Mr. GLYNN.—I have here an article of adornment of female head-gear which has been dealt with by the Customs authorities as imitation jewellery. I ask the Minister, as he seems to be an expert on female attire, whether he supports the decision of his officials?

Mr. KINGSTON.—I am inclined to think that the article in question is rightly classed as imitation jewellery. It contains mock-pearls at the very least.

COMMONWEALTH AND STATES FINANCES.

Mr. POYNTON.—I wish to know from the Treasurer what effect yesterday's vote upon the question of loan expenditure will have upon the surpluses to be handed back to the States at the end of the year?

Sir GEORGE TURNER.—I hope to lay additional Estimates for works and buildings upon the table this afternoon, and when we come to deal with them I shall be in a position to show what difference the reduced amount will make. In my Budget speech I showed what would be the effect if the full amount were taken; but I intend to give honorable members the amount by which the surplus will be reduced if the committee vote the smaller sum which I now intend to ask for.

S.S. "HERBERT."

Mr. KIRWAN asked the Minister representing the Postmaster-General, *upon notice*—

1. Whether the s.s. *Herbert*, carrying mails between Esperance and other ports on the south-east coast of Western Australia, has frequently failed to adhere to contract time?

2. Whether the steamer left Esperance on Saturday, 30th August, and took 83 hours to reach Albany, notwithstanding that the weather was very moderate?

3. What fines have been inflicted on and paid by the owners of the *Herbert* since they have been receiving £400 monthly to carry the mails on the south-east coast?

Sir PHILIP FYSH.—The answers to the honorable member's questions are as follow:—

1. The s.s. *Herbert*, carrying mails as stated, has frequently failed to adhere to the time-table in force under the late contract.

2. The postmaster at Albany has reported as follows:—

"*Herbert* left Esperance on 30th August 8 p.m., arrived Hopetown 10.20 a.m. next day, leaving there for Albany 1.30 p.m., met strong gale with heavy cross seas, and ran into Doubtful Island Bay for shelter, arriving here 7 a.m. on 3rd September. The weather at Albany was moderate with exception of 1st inst., during which a fierce gale was blowing."

3. As there is now no contract, fines cannot be inflicted. Any trip or portion of a trip omitted can only be dealt with by making a *pro rata* deduction from the amount payable.

SUPPLY (1902-3).

In Committee (Consideration resumed from 30th September, *vide* page 16268):

DEPARTMENT OF HOME AFFAIRS.

Division 20 (*Public Service Commissioner*)—£10,294.

Mr. MAHON (Coolgardie).—This is a convenient opportunity to consider the ruling given by the Attorney-General, which has had the effect of depriving federal officers in Western Australia of practically the only benefit conferred upon them by the Public Service Act of that State. Section 29 of that Act, which was passed in 1900, provides that—

Public servants shall be entitled to long service leave as under—(a) For six years continuous service, except during annual leave of absence, three months on full pay and three months on half pay. I do not deny that this is a very liberal arrangement. It is probably more liberal than any arrangement of the kind existing in other States; but the conditions of life in the districts in which many of these officers discharge their duties are altogether different from those which prevail in many portions of the eastern States. According to the ruling recently given by the Attorney-General, by which the local authorities in Western Australia are controlled, the Act is not retrospective in its operation, and the public servants will be entitled to long service leave only at the termination of six years after the passing of the Act. Although I am not a lawyer, it seems to me that this ruling can hardly be sustained; because it amounts to this—that the whole of the public servants in office at the time the Act was passed will, at the end of six years, be entitled simultaneously to six months' leave of absence. Surely no Parliament in its senses would pass a law which would bring about such a state of affairs. The dislocating effect of such a provision could not

have been overlooked by the legal members of the State Legislature, and I cannot believe the intention to be that the whole of the public servants should be entitled simultaneously to six months' leave. The ruling given by the Attorney-General will operate very harshly in regard to men who are serving the Commonwealth upon the gold-fields and in the tropical portions of Western Australia. The Government does not need to be told of the hard conditions of life in these portions of Australia, and it will be generally admitted that officers who have served six years in the tropics, and on the more remote gold-fields, have earned a considerable term of absence. The ruling given practically effaces one of the most important rights of the public servants of Western Australia who were transferred to the Commonwealth. It was always understood that officers taken over by the Commonwealth were to have preserved to them all their existing and accruing rights; and it is curious that these interpretations of the Constitution always operate to the disadvantage of poorly-paid men not blessed with friends in high places. I understand the ruling to be that the section of the Act to which I have referred, not being retrospective in its operation, does not confer any right, but merely a privilege; but it is noteworthy that the Western Australian Government acknowledges that it does confer a right, and that under its provisions they have granted and are continuing to grant leave of absence to the extent prescribed. It should be borne in mind that the public servants in Western Australia who have been taken over by the Commonwealth Government are much worse off than formerly. The Commonwealth Tariff imposes taxation upon nearly every commodity which was previously upon the free list, and as the local Tariff is still in operation, public servants as members of the community have to pay taxes under two Tariffs. The Attorney-General will scarcely deny that if the transferred departments were still under the control of the State, the officers employed therein would receive the leave of absence which they consider they are entitled to under the State Act. The officers express themselves as follows:—

We have just been informed that the Federal Attorney-General has ruled that our Public Service Act is not retrospective, and that officers must therefore serve six years from the date of proclamation before they are entitled to long

Mr. Mahon.

service leave under clause 2. This is somewhat remarkable quite a number of officers in the other Western Australian States have been granted their six months' leave. There may be some doubt as to the retrospective, but it has been the sense all along. Whether it is or is not in our opinion affects clause 2.—"For six years continuous service shall be entitled to full pay and three months' leave." The Act does not need to be retrospective in order to give effect to it, because it is dealing with a circumstance after the Act was passed. It is intended that the six years shall be counted from the passing of the Act, it would have been the same if such a clause would have been organized the public service. The officers would have been entitled to six months' leave on the same date, a contingency has been noticed by every legal mind. The other department has not refused to grant the long leave, we are informed that every officer has dealt with on its merits. The privilege is an exceedingly liberal one, certainly the only one of any kind, and now we are being deprived of it. In view of the harshness of the ruling will operate, I hope the Attorney-General cannot see any more liberal interpretation of the Act. Officers—many of whom have been granted annual leave—will be allowed the advantage of the provisions of the Public Service Act. The Act has mulcted annual leave.

Mr. DEAKIN (Ballarat).—I am quite sure that the member for Coolgardie is neither possible nor desirous of being an officer of the Commonwealth. He is being to take either a long or a short view of any issue submitted to him. He has asked him to decide it according to the established principles of constitutional interpretation. The officers concerned indicate that they are not satisfied with the paragraphs which the hon. member has just read, that they apprehend what appears to be a legal profession—to be the result of this case. They say that had not intended this Act to be retrospective, it would have expressed in clear and unmistakable language, however, is not necessary for the construction of the Act that no Act is to be retrospective in its operation.

contains express provision to that effect. In the absence of such a provision, the legal presumption is always against retrospective effect. That has been the governing consideration in the interpretation of the Act referred to. As the honorable member for Coolgardie knows, the late Mr. George Leake, Premier and Attorney-General of Western Australia, expressed an opinion similar to that formed by me, although I was not aware of it until after I had expressed my own view.

Mr. MAHON.—What Mr. Burt said was that it was never intended that the Act should be other than retrospective.

Mr. DEAKIN.—Mr. Burt's view, as one of those concerned in the passing of the Act, of the intentions of Parliament could not affect his or any other lawyer's opinion as to the legal meaning of the measure.

Mr. MAHON.—It was surely never contemplated that all the officers who held positions in the public service at the time the Act was passed should, at the end of six years, become simultaneously entitled to leave of absence.

Mr. DEAKIN.—That is a point which would have some, but very little weight, as an argument against the need for express provision that the Act was to be retrospective. What we have to look at is the actual phraseology adopted by Parliament at the time. The legal officers of the Government must have known that, whatever the consequential operation of the Act would be, it could, as a matter of legal construction, be read only as speaking from the day it was passed. The determination of this question by the court will settle, once and for all, whether the public servants are entitled to what they claim under the section of the Constitution which preserves to them all their existing and accruing rights. Those rights must be legal rights to be indorsed by the Constitution. There will be nothing to prevent a decision from being obtained upon this point within the next twelve months. Passing from the legal aspect, I may say that I have recently had my attention called to the circumstance, no doubt familiar to most honorable members, that in all those parts of the British Empire in which public officers have to perform their duties in tropical or sub-tropical latitudes, special provisions are made for leave. The provisions in

the Western Australian measure are not more liberal than are those contained in the Indian, Straits Settlements, and other Acts operating in hot countries. Whether or not the Public Service Commissioner of the Commonwealth is vested with as wide an authority as the honorable member would wish to see exercised, I cannot say without reference to the Act. I am confident however that, if he is not, this Parliament would readily lend a sympathetic ear to any proposal which would allow of special consideration being extended to public servants resident in the tropical and sub-tropical parts of Australia, and also to those settled in the remote districts of the interior, where, though the climatic conditions are less severe, the circumstances of life are certainly as hard. Irrespective of whether or not the public servants of Western Australia secure, at the hands of the court, all that they desire in this respect, I am perfectly sure that when the time comes for the consideration of that issue by this Parliament, an attentive ear will be lent to any representations which may be made in that connexion, supported, as they might easily be, by illustrations from the practice of the mother country in regard to the treatment of her public servants in the hotter regions of the world. I am aware that this matter was brought forward when the Public Service Bill was under consideration, and that some provision was made for it. If that provision is not ample enough to permit of full justice being done to public servants, I am sure the House would consent to an extension of it to enable that object to be accomplished.

Sir JOHN QUICK (Bendigo).—I wish to draw attention to the many signs of expansion which are evident in connexion with the department of the Public Service Commissioner. It seems to me that that department threatens to become a very expensive luxury to the Commonwealth, and every effort ought, therefore, to be made to confine it to reasonable limits. I would point out that the special appropriations for the payment of the Commissioner and the inspectors total £4,700 a year, whilst £10,000 odd are absorbed in other directions, thus increasing the total annual expenditure to nearly £15,000. I fail to see why, at this early period of our national career, the department should prove so expensive. I notice that the Estimates provide for the appointment of an examiner at £350 a year from the 1st October next, and an additional

have been overlooked by the legal members of the State Legislature, and I cannot believe the intention to be that the whole of the public servants should be entitled simultaneously to six months' leave. The ruling given by the Attorney-General will operate very harshly in regard to men who are serving the Commonwealth upon the gold-fields and in the tropical portions of Western Australia. The Government does not need to be told of the hard conditions of life in these portions of Australia, and it will be generally admitted that officers who have served six years in the tropics, and on the more remote gold-fields, have earned a considerable term of absence. The ruling given practically effaces one of the most important rights of the public servants of Western Australia who were transferred to the Commonwealth. It was always understood that officers taken over by the Commonwealth were to have preserved to them all their existing and accruing rights; and it is curious that these interpretations of the Constitution always operate to the disadvantage of poorly-paid men not blessed with friends in high places. I understand the ruling to be that the section of the Act to which I have referred, not being retrospective in its operation, does not confer any right, but merely a privilege; but it is noteworthy that the Western Australian Government acknowledges that it does confer a right, and that under its provisions they have granted and are continuing to grant leave of absence to the extent prescribed. It should be borne in mind that the public servants in Western Australia who have been taken over by the Commonwealth Government are much worse off than formerly. The Commonwealth Tariff imposes taxation upon nearly every commodity which was previously upon the free list, and as the local Tariff is still in operation, public servants as members of the community have to pay taxes under two Tariffs. The Attorney-General will scarcely deny that if the transferred departments were still under the control of the State, the officers employed therein would receive the leave of absence which they consider they are entitled to under the State Act. The officers express themselves as follows:—

We have just been informed that the Federal Attorney-General has ruled that our Public Service Act is not retrospective, and that officers must therefore serve six years from the date of proclamation before they are entitled to long

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service leave under clause 29, sub-section (a). This is somewhat remarkable, considering that quite a number of officers in this department, and other Western Australian State departments, have been granted their six months under the Act. There may be some doubt about the Act being retrospective, but it has been applied in that sense all along. Whether it is so or not, does not in our opinion affect clause 29, which states—"For six years continuous service public servants shall be entitled to three months on full pay and three months on half-pay." The Act does not need to be retrospective in order to give effect to this clause, because it is dealing with a circumstance that continues after the Act was passed. If it had been intended that the six years should date from the passing of the Act, it would have clearly stated it; but such a clause would have completely disorganized the public service, as every officer would have been entitled to six months' leave on the same date, a contingency which would have been noticed by every legal gentleman in the House. The other departments of this State are not refusing to grant the long-service leave, but we are informed that every application is being dealt with on its merits. We admit that the privilege is an exceedingly liberal one, but it is certainly the only one of any value in the Act, and now we are being deprived of it.

In view of the harshness with which his ruling will operate, I hope that if the Attorney-General cannot see his way to give a more liberal interpretation to the law, the officers—many of whom have not had any annual leave—will be allowed to take advantage of the provisions of the Commonwealth Public Service Act relating to accumulated annual leave.

Mr. DEAKIN (Ballarat—Attorney-General).—I am quite sure that the honorable member for Coolgardie realizes that it is neither possible nor desirable for the Law officer of the Commonwealth for the time being to take either a liberal or a narrow view of any issue that may be submitted to him. His duty compels him to decide it according to the well-established principles of legal and constitutional interpretation. In this case the officers concerned indicate, in one of the paragraphs which the honorable member has just read, that they have failed to apprehend what appears to me—and I think would appear to most members of the legal profession—to be the guiding principle of this case. They say that if Parliament had not intended this Act to be retrospective, it would have expressed that intention in clear and unmistakable terms. That, however, is not necessary. The rule observed in the construction of statutes is that no Act is to be read as being retrospective in its operation unless it

contains express provision to that effect. In the absence of such a provision, the legal presumption is always against retrospective effect. That has been the governing consideration in the interpretation of the Act referred to. As the honorable member for Coolgardie knows, the late Mr. George Leake, Premier and Attorney-General of Western Australia, expressed an opinion similar to that formed by me, although I was not aware of it until after I had expressed my own view.

Mr. MAHON.—What Mr. Burt said was that it was never intended that the Act should be other than retrospective.

Mr. DEAKIN.—Mr. Burt's view, as one of those concerned in the passing of the Act, of the intentions of Parliament could not affect his or any other lawyer's opinion as to the legal meaning of the measure.

Mr. MAHON.—It was surely never contemplated that all the officers who held positions in the public service at the time the Act was passed should, at the end of six years, become simultaneously entitled to leave of absence.

Mr. DEAKIN.—That is a point which would have some, but very little weight, as an argument against the need for express provision that the Act was to be retrospective. What we have to look at is the actual phraseology adopted by Parliament at the time. The legal officers of the Government must have known that, whatever the consequential operation of the Act would be, it could, as a matter of legal construction, be read only as speaking from the day it was passed. The determination of this question by the court will settle, once and for all, whether the public servants are entitled to what they claim under the section of the Constitution which preserves to them all their existing and accruing rights. Those rights must be legal rights to be indorsed by the Constitution. There will be nothing to prevent a decision from being obtained upon this point within the next twelve months. Passing from the legal aspect, I may say that I have recently had my attention called to the circumstance, no doubt familiar to most honorable members, that in all those parts of the British Empire in which public officers have to perform their duties in tropical or sub-tropical latitudes, special provisions are made for leave. The provisions in

the Western Australian measure are not more liberal than are those contained in the Indian, Straits Settlements, and other Acts operating in hot countries. Whether or not the Public Service Commissioner of the Commonwealth is vested with as wide an authority as the honorable member would wish to see exercised, I cannot say without reference to the Act. I am confident however that, if he is not, this Parliament would readily lend a sympathetic ear to any proposal which would allow of special consideration being extended to public servants resident in the tropical and sub-tropical parts of Australia, and also to those settled in the remote districts of the interior, where, though the climatic conditions are less severe, the circumstances of life are certainly as hard. Irrespective of whether or not the public servants of Western Australia secure, at the hands of the court, all that they desire in this respect, I am perfectly sure that when the time comes for the consideration of that issue by this Parliament, an attentive ear will be lent to any representations which may be made in that connexion, supported, as they might easily be, by illustrations from the practice of the mother country in regard to the treatment of her public servants in the hotter regions of the world. I am aware that this matter was brought forward when the Public Service Bill was under consideration, and that some provision was made for it. If that provision is not ample enough to permit of full justice being done to public servants, I am sure the House would consent to an extension of it to enable that object to be accomplished.

Sir JOHN QUICK (Bendigo).—I wish to draw attention to the many signs of expansion which are evident in connexion with the department of the Public Service Commissioner. It seems to me that that department threatens to become a very expensive luxury to the Commonwealth, and every effort ought, therefore, to be made to confine it to reasonable limits. I would point out that the special appropriations for the payment of the Commissioner and the inspectors total £4,700 a year, whilst £10,000 odd are absorbed in other directions, thus increasing the total annual expenditure to nearly £15,000. I fail to see why, at this early period of our national career, the department should prove so expensive. I notice that the Estimates provide for the appointment of an examiner at £350 a year from the 1st October next, and an additional

£1,000 is set down for the expenses in connexion with the conduct of examinations. I claim that there is no necessity for holding examinations this year.

Mr. WATSON.—The honorable and learned member knows that there will be vacancies in the service, and that they must be filled.

Sir JOHN QUICK.—There will not be a sufficient number of vacancies during the first year to warrant the appointment of a special examiner at £350, and a special appropriation of £1,000 being made by Parliament to cover the cost of holding examinations.

Mr. WATSON.—The honorable and learned member assisted to pass an Act which he immediately desires to abrogate.

Sir JOHN QUICK.—Where will the vacancies occur to warrant this tremendous outlay? In the Public Service Act provision is made for taking over from the States officers who have passed the clerical examination in those States, and I desire to know whether effect is to be given to that legislation or whether the Commonwealth is going in for a wholesale system of new appointments. Surely the claims of officers in the States services who have passed their examinations ought to be remembered. I fail to see why any examination for the clerical division is necessary during the present year.

Sir MALCOLM McEACHARN.—Does not the Act provide for them?

Sir JOHN QUICK.—It provides for the holding of examinations whenever they are necessary, but I do not consider that they are necessary during the present year. Surely we ought not to pay £1,000 for the examination of boys for admission to the clerical division.

Mr. WATSON.—It is for the examination of junior clerks.

Sir JOHN QUICK.—No. I repeat that in the Public Service Act provision is made for the appointment by the Commonwealth of officers at present in the States services, who have already passed clerical examinations. By adopting the system of making wholesale appointments we are certainly going the right way to damn our federal institutions. Further we are encouraging the Government to continue to make new appointments which are absolutely unnecessary. I am prepared to join with any honorable member who will assist in blocking this public expenditure.

I see no necessity for appointing an examiner. At any rate for the first year one of the public service inspectors could act as examiner.

Mr. BAMFORD.—Would he be competent to do so?

Sir JOHN QUICK.—If he is competent to act as inspector, surely he would be competent to act as examiner. I protest against the new appointments which are being made in every direction. Unless the committee take a firm stand, I am satisfied that this department will continue to grow until it becomes a nuisance and a curse to our federal system.

Sir WILLIAM LYNE (Hume—Minister for Internal Affairs).—The honorable and learned member for Bendigo has been very earnest and demonstrative in his opposition to the appointment of a special examiner at £350 a year, and to the expenditure of £1,000 in the conduct of examinations. Probably he will be surprised to learn that after the payment of the two amounts mentioned the examinations will result in a credit balance of about £700. The Public Service Commissioner has recommended the appointment of a special examiner and the holding of these examinations from motives of economy, and because a saving will thus be made upon the amount which would be expended if they were conducted by the States in the ordinary way.

Mr. PAGE.—What are the fees payable?

Sir WILLIAM LYNE.—Each candidate for the clerical division has to pay a fee of 15s., and each candidate for the general division, 7s. 6d. The number of papers with which the examiner will have to deal is estimated at 40,000.

Mr. TUDOR.—For how many vacancies?

Sir WILLIAM LYNE.—Honorable members must know that a very large number of young men will go up for this examination; but, of course, only a very few of them will receive appointments. Nevertheless, they qualify themselves for appointment whenever vacancies occur. I am quite aware that in the Public Service Act the Governor-General in Council is empowered to appoint officers in the States services to the Commonwealth service on the recommendation of the Commissioner. But there is a danger that we should not get the best officers in the States services, but the very dregs of those services. That practice is one to which I am absolutely opposed. My firm belief

is that the Commonwealth service should be the blue ribbon of Australian public servants. Is it likely that the States would allow their highest and best officers to be transferred to the Commonwealth service? Moreover, I hold that in the future the officers who will occupy permanent positions in the federal service will be those who start from the bottom rung of the ladder and work upwards. In making these remarks, I wish it to be clearly understood that I am not opposed to the selecting from the State services of capable officers whose qualifications are undoubted. At the same time, I am not going to be placed in the position of being compelled to select all federal officers from the States services, thus denying to officers already in the Commonwealth service all opportunity of promotion. In the Post and Telegraph, Customs, and Defence departments, there are a very large number of Commonwealth officers.

Mr. WATSON.—Altogether there are about 12,000 federal officers, I think.

Sir WILLIAM LYNE.—There are about 12,000 or 13,000. These men have a right to expect promotion, and it would be grossly unfair if the Commonwealth always went to the States services for officers who are to be promoted over their heads. The practical effect of selecting officers generally from the States services would be that the Commonwealth would receive only the lowest grade of officers. Further, the inevitable result of such a practice would be to lower the Commonwealth service to the level of the wooden system at present in force in some of the States where men are promoted on the ground of seniority instead of merit. Our Public Service Act gives the Commissioner power to promote to any particular position in the service any officer possessing conspicuous qualifications. The honorable and learned member for Bendigo appears to forget that we are dealing with the Commonwealth, and not with an individual State. We are dealing with a very difficult amalgamation of the services which the Commonwealth has taken over from the States. The question which was asked a few minutes ago of the Acting Prime Minister shows the difficulty in Western Australia, and there have been similar difficulties experienced in some of the other States, the public services of which are not worked on the same principle as those of New South Wales and Victoria. The officers must be keen, intelligent men,

able to deal with conditions which are very harassing at the present time. The object of the appointment of this examiner is to provide a means by which young men may enter the service with salaries commencing at £40 and £60 a year. These young men have, by examination, to show their aptness and ability, which are also taken into consideration when their turn comes for promotion to higher positions. Such an appointment as this has been urged on the Cabinet and on myself most strenuously by the Public Service Commissioner. At first I suggested that, perhaps, it would be well to follow the example of the States, and employ outside examiners throughout Australia, but I ascertained that the appointment now proposed would result in a saving besides giving the Government more control.

Mr. L. E. GROOM.—It will also give a uniform standard.

Sir WILLIAM LYNE.—That is so. Personally I know but little of the details connected with these matters, feeling, as I do, that if a good man be placed at the head of a department it is well to allow him every reasonable liberty so long as his administration does not result in extravagance. An officer of the kind is, I take it, responsible to me in the same way that I am held responsible to Parliament.

Sir JOHN QUICK.—But surely the Minister will not make any appointment which the examiner may choose to suggest.

Sir WILLIAM LYNE.—Certainly not, but I should certainly pay great attention to his suggestions. I hold him responsible, and he should bear the blame for any muddle which may arise from his administration. I am informed by the Public Service Commissioner that the examiner will have to go through the examination papers, and, as that is a task which cannot be accomplished single-handed, one or two assistants have to be appointed. When examinations of this kind are over, the public clamour for the results, and in order that these may be published within a reasonable time, assistance of a clerical nature is absolutely necessary. One advantage of the appointment of a permanent officer to the position of examiner is that the Commonwealth will have the benefit of his services for the whole year, whereas the services of an outside board would be confined to the actual examinations, the papers being relegated to officers in the public

service, who, for this purpose, would have to leave their proper duties. A large number of special examinations must be held throughout the year, and in the absence of a permanent officer, payment would have to be made to boards of examiners. There will be examinations of officers over 21 years of age, who may be entitled to the minimum salary of £110, and also examinations to entitle officers to promotion or transfer from one department to another. There will, further, be special examinations of telegraph operators, switch-board attendants, type-writers and shorthand writers. As I pointed out just now, each candidate will have to pay a fee of 15s. for the examination for the clerical division, and 7s. 6d. for the examination for the general division, and from 35,000 to 40,000 papers will have to be dealt with.

Mr. McDONALD.—That will mean 40,000 applications at the least.

Sir WILLIAM LYNE.—I did not say that there will be 40,000 applications, but that there will be about 40,000 papers, each applicant having to prepare from four to six papers. I imagine that the applications for employment will be more in the general division than in the clerical division, and the fees are estimated to return something over £2,000.

Sir JOHN QUICK.—What vacancies are there to justify this huge system of examination?

Sir WILLIAM LYNE.—There are vacancies in the post-office and other large departments every day.

Sir JOHN QUICK.—In which class?

Sir WILLIAM LYNE.—In various classes throughout the service, and promotions have also to be provided for.

Sir JOHN QUICK.—Appointments can be made only to the lower class.

Sir WILLIAM LYNE.—Only first appointments can be made to that class. All officers transferred from the State service must go into the lower class, unless they are taken over under the special provision to which I have referred. In the latter case the transferred officers are promoted over the heads of federal servants, and that is a system which must give rise to great annoyance and complaint.

Sir JOHN QUICK.—These officers expect to enter the lower grade only for the clerical division.

Sir WILLIAM LYNE.—There are about 60 persons, who, having passed the State

examination for employment in the Victorian Post-office, claim that they have a right whether or not the Federal Government approve, to take the lower positions in the federal service. In order to show that there cannot be such a right, I asked what would be their position if it were decided to take officers from the States service to fill the vacancies. I think that demand on the part of those 60 persons has, to a large extent, ceased; but no doubt at one time it was strongly contended that they had an exclusive right to appointments in the lower grades of this branch of the federal service. I mention these facts to show that the appointment of an examiner will prove the most economical way of dealing with this matter. Throughout the States, at the present time, there is a great clamour for examinations to be held.

Sir JOHN QUICK.—Who is clamouring?

Sir WILLIAM LYNE.—Applicants for situations; and I can assure honorable members that I have received, perhaps, hundreds of applications from people who are disappointed at the examinations not having been already commenced. The desire is to have the examinations during the Christmas holidays, when the school buildings and, perhaps, the assistance of teachers are available. Under the circumstances, I hope honorable members see that the sum asked for is not extravagant. I admit that, when the matter was first mooted to me by the commissioner, I expressed the opinion that the amount was somewhat large. It may be remembered that in the last Estimates, under various headings, provision was made for extra clerical assistance, and, as some of these appointments were not necessary, I utilized the money in order to provide sufficient temporary clerks to enable the Public Service Commissioner to cope with his work. Honorable members will be surprised when they find what work has been necessary in the preparation of Commonwealth regulations to take the place of the separate States regulations. Up to the present we have been compelled to utilize the States regulations, but in the future it is intended—and the work is nearly completed—to have regulations applicable to the whole of Australia. This work has proved most difficult, and the gentleman at the head of the department, who is a most sensitively conscientious man, has been quite upset by

a fear that the result of his labours may cause adverse criticism and dissatisfaction. There is another matter to which I should like to refer. Honorable members will notice that the salary of the secretary to the Public Service Commissioner is fixed at £600, and I think I am bound to offer some reason for the increase. The amount voted last year was £500, but the commissioner represented to me that he required the assistance of a man of extensive experience in connexion with public service administration. It was pointed out by the commissioner that the public service of Victoria in its regulations and general conditions was perhaps the most intricate in Australia, and he asked me to appoint Mr. Reddin, who had long experience as an officer in that service. But Mr. Reddin declined to come into the federal service for a salary of £500, and I then, at the instance of the Public Service Commissioner, offered to place £600 on the Estimates. Of course, I could not say that such a salary would be passed by Parliament, but I promised that the Government would do their best to have it accepted by honorable members. On that condition Mr. Reddin took the position, and the commissioner reports that his services and his knowledge of the Victorian service have proved so valuable that to lose him would be unfortunate for the Commonwealth. Honorable members know what a great number of actions at law have been brought against the Victorian Government in connexion with the public service of that State; and Mr. Reddin appears to be the best man obtainable in order to prevent disaster from pitfalls of the kind. It is true that Mr. Reddin appears to be no great favorite with the members of the service, but that is simply because the performance of his duties may be apt to render him somewhat unpopular with officers. I hope the committee will look at the position from my point of view, and will not by a reduction of the amount proposed cause the loss of the services of so valuable an officer.

Mr. BATCHELOR.—What are the duties of the registrar at £400 a year?

Sir WILLIAM LYNE.—I have not the papers just now, but I can obtain them and give the honorable member the details later.

Mr. REID (East Sydney).—I feel that there is great weight in what the Minister

has said in reference to this salary. After a good deal of experience in connexion with Public Service Acts, my impression is that it is necessary to have a man of very high qualifications in a position of the kind, and, therefore, I shall not vote against the salary proposed. But with the indulgence of the committee I desire to make a personal explanation. I was not present when the House met, but I understand that the honorable member for Maranoa asked a question in reference to a statement which had appeared in the *Melbourne Age*. In this morning's issue of that journal it is stated that I have allied myself with Major-General Hutton in order to secure the appointment of some officer from England as director of artillery, over the heads of all the other artillery officers. The whole statement is pure fabrication. I was not aware that a director of artillery had to be appointed, or that a person was to be brought out from England in connexion with that branch of the defence forces. Since the Federal Government came into operation, I do not think I have written half-a-dozen letters to Ministers about any human being. But it is singular that when I do happen to write a letter to a public department that letter gets into the hands of the press. I have heard that there is some indirect influence at work in the Defence department in connexion with a certain matter, and the circumstance I have mentioned seems to prove the truth of the rumour. I should like to tell the committee the true facts. Some time ago a Victorian, born and bred, went home to England at his own expense, and, entering the Imperial service, qualified himself for submarine mining. This, as we all know, is a very valuable line of defence, though very few people elect to qualify themselves for such service. This Victorian, having by examination qualified himself for the Imperial service, now desires to serve his native country, Australia. His object in going home was to qualify himself for service in the defence forces of Victoria; but the defences now being a Commonwealth matter, this young man, who is at present in Australia, put the facts before me. Then I did what I think any other honorable member would do in the case of a young Australian who had, at his own expense, so qualified himself. I asked the Minister for Defence to take the matter into consideration, but I made not

the slightest attempt to name any particular position. I had no idea of any particular position; and I did this, not for a man from my own State, but for a Victorian. The Minister for Defence wrote a perfectly proper reply. The honorable gentleman did not seem to question the merits of the case, but he pointed out that just now there was retrenchment in the department, and that it would be a very awkward matter to make an appointment. That reply I accepted, and I have never since moved another inch in the matter. It is singular how these circumstances seem to get out of the Defence department into the newspapers. I have heard certain statements as to a "set" being made against this young man, and the facts rather give colour to this idea. I have no objection to publicity.

Mr. WATSON.—But why should the press get information of the kind before it is laid before Parliament?

Mr. REID.—It is a singular thing that it is so, and it lends colour to the statement made to me with reference to this very case. It occurred to me that when a young Australian goes home and qualifies himself by passing examinations, and wins a position in the Imperial service, it is highly creditable that he should desire to enter the service of his own native land. Surely a Member of Parliament may write a letter to the Minister asking him to take such a case into his consideration! That was all I did.

Mr. WATSON (Bland).—With regard to the question brought forward by the honorable and learned member for Bendigo in connexion with £1,000 proposed to be voted for holding public service examinations, I should like to point out that the Public Service Act which Parliament has passed insists upon examinations being held not less frequently than once in each year; because it states that no appointments shall be made from the examinees at a particular examination during a period less than nine months after the holding of the examination—which means that if any vacancies occur ten months after the holding of an examination the Commissioner cannot appoint any one, but must wait until the yearly period is up, and another examination is held.

Sir WILLIAM LYNE.—I had forgotten that; I am glad the honorable member has mentioned it.

Mr. WATSON.—I believe we made an error in passing the Public Service Act in that shape. In view of the expense of holding these examinations throughout Australia, it would seem to be a necessary thing to allow candidates who were successful in passing a good examination, but were not amongst the top names, if only twenty vacancies occurred, to be called upon perhaps up to a period of two years. Then the examinations would take place probably at two-year intervals instead of yearly. That, to my mind, is the only means of reducing the expense which otherwise the Act entails upon us. I take it that the honorable and learned member for Bendigo is quarrelling with the proposal involved in holding examinations all over the Commonwealth. Does he want this committee to lay down the principle that all examinations are to be held in Melbourne to save expense—that candidates are to come from the extreme portions of Australia to Melbourne to be examined in order that there may be only one examiner?

Sir JOHN QUICK.—I did not say that.

Mr. WATSON.—That is involved in the honorable and learned member's contention, or the alternative is to allow the favorites of the Minister of the day to be put into the service to the exclusion of those for whom we have been fighting so hard. The House decided almost unanimously that every person, no matter who he was, should have an opportunity of getting his sons or daughters into the public service by means of a competitive examination. That cannot be carried out unless the examinations are sufficiently numerous to allow of some probability of the candidates getting to local centres. I believe it will be found necessary to amend the Public Service Act in various particulars with a view of minimizing the expense that would otherwise be involved.

Mr. POYNTON.—In the meantime we have loaded ourselves with an expensive staff.

Mr. WATSON.—I am not now expressing an opinion upon that, because it is a very difficult thing for one of us outside the office to arrive at a conclusion as to how many officers are needed. I had a talk with the Public Service Commissioner a little while ago about this matter and concerning the working of the Act.

Mr. JOSEPH COOK.—Does the honorable member say that he has interviewed the commissioner?

Mr. WATSON.—I had no motive other than that of inquiring into the matter from the public aspect.

Mr. JOSEPH COOK.—Was not the fact published in the newspapers?

Mr. WATSON.—Some people might have taken umbrage at it, but I do not mind that. A number of difficulties were pointed out by the commissioner, of whose ability in this connexion every one who knows him is quite satisfied. These difficulties indicated the necessity of some modifications being made in the Act. There is one other aspect of this matter that will require attention at the hands of the honorable and learned member for Bendigo. That is, that the clerical branches of the service cannot take advantage of the minimum wage provision until examinations are held.

Sir JOHN QUICK.—The public service inspectors can do that.

Mr. WATSON.—The honorable and learned member seems to think that all the inspectors have to do is to go round holding examinations. Does he not know that we put into the Act appeal sections which alone are sufficient to occupy the attention of the inspectors for the whole year? Nearly the whole of their time will be taken up with two sets of appeals—one with reference to grievances and the other with reference to promotions. The honorable and learned member must take his share of the responsibility for placing those sections in the Act. The minimum wage sections affecting the clerical division involve examinations—to which I took exception at the time they were agreed to. But the provision is there, and no benefit can be derived from these sections until examinations have been held throughout the Commonwealth with regard to the lower-grade officers. Again, with regard to promotions, examinations are insisted upon in some cases. So that the honorable and learned member can see that the machinery of the Act involves a large expenditure. I am surprised in view of all the difficulties, and of the fact that the centres throughout the States at which examinations must be held are so numerous, that the work can be done for £1,000. If it can be done for such a sum, so much the better. If it can be done for less, so much more the better. But I am convinced that we shall have to alter the detailed provisions of the Act in this regard.

Mr. HUME COOK (Bourke).—I rise to ask for some information from the Minister

for Home Affairs. The item under discussion gives us the opportunity to inquire as to what is proposed to be done to those officers who have passed State examinations. I understand that there will be a number of junior appointments to be made in connexion with the Commonwealth service.

Mr. JOSEPH COOK.—That question has already been asked to-day.

Mr. HUME COOK.—Unfortunately, I was not present when it was answered.

Mr. McDONALD.—Are we to have it all over again because the honorable member was not here? Let him read it in *Hansard* to-morrow.

Mr. HUME COOK.—Will the seniors have some preference in appointments? I believe they are entitled to it under the Act.

Sir WILLIAM LYNE.—As the honorable member for Bourke was not present when I answered that question, I should like to say that I have pointed out that there is a section providing that the officers in the States who have passed State examinations can be taken into the Commonwealth service on the recommendation of the Commissioner, and appointed by the Executive Council. But that will have to be very carefully dealt with, because we have a Commonwealth public service, and the first promotions must go to our own officers if they are qualified. There is nothing to prevent officers who have been trained in the States being employed, but most of them will have to come into the service in the lower grades.

Mr. E. SOLOMON (Fremantle).—I should like to refer to what has been said by the honorable member for Coolgardie with reference to the matter of leave of absence, about which the Acting Prime Minister has spoken. I was a member of the Parliament of Western Australia at the time the matter was dealt with there, and it was considered to have been dealt with retrospectively, with the exception that those officers who had been in the service for a length of time and had received leave from time to time, according to the local Act, were not to participate to the same extent as those who had been in the service for six years, and were entitled to six months' leave. It was considered as only just that many of the public servants who had been serving in a tropical climate for six years should have relief from their duties. I might also mention

that, in reply to a question asked by the honorable member for Coolgardie in April last, the Prime Minister made the following answer :—

1. Since the passing of the Public Service Act of Western Australia it has been the custom to allow officers who have served six years continuously leave of absence for three months on full pay and three months on half-pay, when approved by the Governor in Council.

2. The Postmaster-General will see that officers on the gold-fields who have served six years continuously, and who are entitled under the Public Service Act, are granted similar leave of absence; but, in accordance with the Act, the leave must commence from the date on which they are relieved from duty.

I trust that the Acting Prime Minister will carry out what was promised then by the Prime Minister, and do what is really just to the officers in Western Australia. In regard to the other matters which have been spoken of, and reductions of salary, my opinion is that, where a man does his duty and is worth anything, he should be paid well. At the commencement of the Commonwealth we should lay a good foundation and set a good example. We should show that, although we have economy in view, we are at the same time determined to pay men according to what they are worth, and to do what is just. I feel sure that the amount set down here for the officers who discharge these various duties is not excessive. I am prepared to support the Government in this item.

Vote agreed to.

Division 21 (*Public Works Staff*)—£9,767.

Mr. R. EDWARDS (Oxley).—I wish to ask the Minister for Home Affairs a question with reference to the Superintendents of Works. There are to be four of these officers. For which States are they to be appointed? There is not to be one Superintendent for each State, so that evidently two States will have to be worked by one Superintendent. The information given in the Estimates is somewhat indefinite. A sum of £1,950 is to be voted for the four Superintendents, "at salaries not exceeding £600 per annum." We should know something more definite than that.

Mr. A. C. GROOM (Flinders).—I notice that the four Superintendents of Works are to be paid salaries not exceeding £600 per annum each, whilst the Chief Draughtsman, who is really the architect, is only to get £300. To my mind the draughtsman is more important than the superintendent. A clerk of works is paid only £3 10s. or £4

a week in an ordinary way, but in this case the Government propose to give a superintendent £600 a year, whilst the chief draughtsman will get only £300. The comparison makes the scale of remuneration appear ridiculous.

Mr. PAGE (Maranoa).—When the Minister told us last year that the appointment of these officers would not involve an expenditure of more than about £2,000 a year, I quite expected that his estimate would be exceeded. The Estimates under review provide for an expenditure of £4,117 upon the Public Works staff. Roughly speaking, that is £2,000 in excess of the amount which the Minister said would be required.

Sir WILLIAM LYNE.—Will the honorable member allow me to explain? In regard to his assertion that, in dealing with last year's Estimates, I said that the total salaries would not exceed £2,000 per annum, I would point out that my statement referred to the appointment of four superintendents. The Estimates provided for a salary not exceeding £600 a year for each of those officers, or for a maximum expenditure of £2,400. I said I did not think the expenditure would be as high as that, as I believed the salaries would average about £500 per annum. That was the reference which I made to the sum of £2,000.

Mr. PAGE.—That does not alter the fact that the expenditure now proposed upon the Public Works staff is £4,117 per annum. The Minister is not satisfied to have an Inspector-General of Works at £1,000 per annum, but must have a number of other officers. I think it is becoming a little too stiff. The total sum set apart in connexion with the Public Works staff is £5,267.

Mr. SALMON.—There is also a sum of £4,500 to recoup the States for salaries of professional and clerical officers employed by the Commonwealth.

Sir GEORGE TURNER.—That amount is paid to the States. The States pay it and receive it, so that it is transferred expenditure.

Mr. PAGE.—Yes; but the cost of providing a Public Works staff for the Commonwealth is £1,000 in excess of that sum. I think the old arrangement would have been better than the present one.

Mr. POYNTER.—Why did not the honorable member support the proposal that the

Public Works departments of the States should continue to supervise our works.

Mr. PAGE.—Because I thought it would be better to have our own officers. We are paying £1,000 per annum more than the honorable member suggested would have to be paid under the arrangement by which the States were to receive by way of remuneration for supervision 10 per cent. upon the amounts expended.

Sir WILLIAM LYNE.—No. If the honorable member will allow me, I will explain the matter.

Sir MALCOLM McEACHARN (Melbourne).—I join in the protest against these items. I never heard before of £600 a year being paid to a Superintendent of Works. These superintendents are really only clerks of works. I have had some experience of these matters as a member of the Melbourne City Council, which carries out many public works, but I have never heard of £600 a year being paid to a clerk of works. Such a salary is preposterous. I see that provision is also made for a Chief Draughtsman at £300 a year. That is too low a salary to pay if we desire to obtain the services of a good man. The Minister is actually providing a lower salary for the Chief Draughtsman than is paid to the clerks of works. Any number of superintendents of works could be obtained for £3 or £4 a week, and £5 per week would be regarded as a very high salary.

Sir WILLIAM LYNE.—I would not have men in the service who were prepared to accept such a salary.

Sir MALCOLM McEACHARN.—I have had as much experience of these matters as the Minister has had.

Sir WILLIAM LYNE.—Not in connexion with the public works of public departments.

Sir MALCOLM McEACHARN.—I do not wish to beat down the pay of these men, but I do say that these salaries are too high; and I propose to move that the item relating to the superintendents of works be reduced.

Sir WILLIAM LYNE.—It would be interesting to know how many professional men, such as marine engineers, the honorable member for Melbourne employs at £250 a year, and, if he does employ any at that remuneration, whether their work is satisfactory.

Sir MALCOLM McEACHARN.—I have employed many clerks of works.

Sir WILLIAM LYNE.—Quite so. When we voted these salaries upon last year's Estimates I fully explained the position, and it is rather severe upon me that I should be called upon again to go over the whole question. I pointed out when we were dealing with last year's Estimates that the only claim made by any of the States for payment in respect of supervision of Commonwealth works was that lodged by the South Australian Government. The South Australian Government demanded 10 per cent. on the amount which had been expended in carrying out works under the supervision of their officers. Speaking from memory, I think that upon the amount provided on last year's Estimates the payments to the States at the rate named would have been £35,000. I am speaking only from memory. In answer to the honorable member for Oxley, who inquired very fairly what the superintendents of works would be called upon to do, and what would be their standard, I would point out that I explained, when we were dealing with last year's Estimates, that they would be either high-class architects or engineers.

Mr. PAGE.—What is the Minister going to do with the Inspector-General?

Sir WILLIAM LYNE.—I shall answer the honorable member presently. I explained that the Commonwealth was absolutely at the mercy of the States in expending money upon public works without any supervision on the part of a Commonwealth officer, and I instanced a case in which a building for the erection of which an appropriation of £18,000 had been agreed to, would cost from £33,000 to £37,000. I had no means of checking that expenditure.

Mr. PAGE.—Does the Minister refer to the Newcastle Post-office?

Sir WILLIAM LYNE.—Yes. I had no idea that the work would cost so much until just before I spoke, for the reason that I had no federal officer whose duty it was to communicate with the Minister in regard to the way in which works were being carried out.

Mr. PAGE.—That work was entered upon prior to federation, and the honorable member, as Premier of New South Wales, started it.

Sir WILLIAM LYNE.—I did not. A sum of money was voted for the purpose by

the State Parliament. Another very important consideration in regard to the appointment of a Commonwealth public works staff is that the States have their own works to carry out; and that, as the members of the States Legislatures do not care to see their own works delayed, our undertakings are usually placed second by the States officials. I do not think that is right. From time to time I have complaints as to delay in carrying out Commonwealth works, but without the officers provided on these Estimates, I have no means of knowing why these works are not carried out within a certain time by the States officials. In answer to the honorable member for Oxley I would explain that it is proposed to appoint one Superintendent of Works possessing high qualifications to look after our work in Queensland, and another for New South Wales. A superintendent has already been appointed for Victoria, and another for Western Australia. The Premier of South Australia proposed to me some time ago that the Commonwealth works in that State should be supervised by an officer paid jointly by the State and the Commonwealth, and a similar proposition was made by Mr. Bird, the State Treasurer of Tasmania. I replied that if the respective States would pay a portion of the salary of each of these officers, the Commonwealth Government would pay the remainder, but upon the condition that the officer should be a federal servant. In both cases that condition was agreed to, and I propose to carry out the arrangement as soon as the necessary funds are voted. Honorable members will understand that as Western Australia is so far removed from the seat of government, we have necessarily to communicate by telegraph with the State officers there, and it seems to me highly desirable that we should have a responsible officer in that State. If the Western Australian Government will make a proposal similar to that made by the South Australian and Tasmanian Governments, I shall be quite willing to adopt it, but I do not feel disposed to depend upon any officer unless he is a federal servant.

Mr. POYNTON. — Have the Government ever paid the South Australian Government for the work carried out for the Commonwealth by the State Public Works department?

Sir WILLIAM LYNE. — I think not. I have been endeavouring to induce the South Australian Government to accept a little

less than the 10 per cent. which they claim.

Mr. POYNTON. — The Minister knows that the 10 per cent. is not charged only for supervision of works. It includes the hire of plant, preparation of plans and specifications, and so forth.

Sir WILLIAM LYNE. — I pointed out to the South Australian Government that some distinction should be drawn between the amount claimed in respect of supervision, and the rent charged for use of plant loaned to the Commonwealth. Once we establish the principle of allowing the States 10 per cent. for supervising Commonwealth works, whether plant is lent or not, that charge will always be made. If the South Australian Government put in a claim showing that the plant loaned to us was worth 5 or 6 per cent. upon the amount expended and that the supervision was worth the remaining 4 or 5 per cent., I should not object to it.

Mr. JOSEPH COOK. — Treat them generously.

Sir WILLIAM LYNE. — I have declined to pay 10 per cent. If I were to agree to that charge being made, other States would not undertake the work for less.

Mr. POYNTON. — Will it not be necessary to provide for a plant?

Sir WILLIAM LYNE. — I hope not.

Mr. POYNTON. — Then how is the work to be done?

Sir WILLIAM LYNE. — In many instances it will be done by contract.

Mr. McDONALD. — It would be better to carry out our works by day labour.

Sir WILLIAM LYNE. — I have always been in favour of that principle.

Mr. POYNTON. — If the Minister adopts it a plant will be necessary.

Sir WILLIAM LYNE. — I shall arrange to carry out works upon that principle, when practicable.

Mr. JOSEPH COOK. — The honorable member was not always in favour of the day labour system.

Sir WILLIAM LYNE. — The honorable member converted me to the system, as the result of the construction of the telephone tunnels of New South Wales by day labour. I attacked him vigorously once or twice in regard to that work which he sanctioned, but a committee was appointed and showed that it had been carried out under day labour for 25 per cent. less than the amount for which it could have been executed by contract. There was another

committee sitting at the time to consider works at the Government Printing-office and other buildings. The result of their inquiries showed that there was a saving of 25 per cent. gained by substituting day labour for the contract system. It was the result of these inquiries that converted me to the adoption of the day labour system wherever practicable. I do not think that system should be adopted in all cases.

Mr. POYNTON.—If it is adopted, the Commonwealth will require a plant.

Sir WILLIAM LYNE.—We may. If we do, we may be able to hire a plant from the States Governments. If a plant is necessary, I shall be prepared to make such an arrangement. If the South Australian Government had said that they required 4 per cent. upon the moneys expended in respect of the plant used I should not have objected to their charge. It is easy to calculate what 10 per cent. upon the total expenditure would represent if all our works were carried out under the supervision of the States officials.

Mr. POYNTON.—The South Australian Government made it clear that they did not charge 10 per cent. solely for supervision of Commonwealth works, and why should the Government cavil at the charge?

Sir WILLIAM LYNE.—Let them show how the charge is made up, and if I am satisfied that it is a fair claim, I shall recommend its payment.

Mr. POYNTON.—The whole amount in dispute is only £28.

Sir WILLIAM LYNE.—But there is a principle at stake. Up to the present moment I have not been able to make any arrangement with the Victorian Government, though correspondence has been proceeding within the last month or two to arrange what the Federal Government shall pay the Victorian Government for work done. I thought that 2 per cent. would be a very fair charge, but I find that that will not be listened to. I have not yet been able to arrange with any of the State Governments as to the amount to be paid, and at the present we are absolutely in the hands of the States in connexion with the expenditure of money upon works, as, except in the case of Victoria, where I have an officer appointed, I have really no control. The Inspector-General of Works is intended for the Commonwealth.

Mr. POYNTON.—Is one officer appointed already?

Sir WILLIAM LYNE.—I am accused of being extravagant, but I can tell honorable members that though money was voted last year it has not been expended, and there are many re-votes in these Estimates for that reason. I have not rushed into extravagance in making appointments. The only appointment in this connexion that I have made is that of a transferred officer in Victoria, who was appointed some time ago.

Mr. MAUGER.—Is he getting the same salary that he was getting in Victoria?

Sir WILLIAM LYNE.—He is getting £600 a year. I think the salary is the same that he was getting in Victoria.

Mr. MAUGER.—It would be very unfair to reduce the salary now if the amount was passed last year.

Sir WILLIAM LYNE.—It was passed last year, and the honorable member for Gippsland, the only honorable member who objected, was satisfied with the explanation given at the time.

Mr. JOSEPH COOK.—The honorable gentleman has a reputation for extravagance.

Sir WILLIAM LYNE.—I have only got that reputation in Victoria; but when I am accused of having a mantelpiece erected at a cost of £100, there is no wonder that I should get such a reputation.

Mr. JOSEPH COOK.—That ought to be explained by the newspaper.

Sir WILLIAM LYNE.—It has not been explained, and I think it should have been explained this morning. The Inspector-General of Works referred to in the estimate will be an officer appointed for the Commonwealth of Australia, and I have in my mind two men, one of whom is in South Australia, as suitable men for the position.

Mr. HUME COOK.—Does the honorable gentleman propose to give him travelling allowances?

Sir WILLIAM LYNE.—I suppose he will receive travelling allowance. I have already explained those allowances. I would point out to the honorable member for Melbourne that the salaries proposed in these cases are not for inferior men; and if I can get the class of men I desire to see appointed, honorable members will agree that £500 or £600 a year will be a very reasonable salary for them. I think the honorable member said that he had never heard of a

superintendent of works getting £600 a year. I may tell the honorable member that it was proposed at first to give these officers another designation more in keeping with the importance of their office. I discussed the matter with the Cabinet and the Treasurer, and it was determined that they should be called "Superintendents of Works," in order that they might not clash with secretaries, and officers having other designations under the Public Service Act. It must be remembered that they will be responsible officers of the Federal Government in the large States. And if the expenditure upon any works exceeds the appropriation, upon them will rest the responsibility of saying why they permitted the extra expenditure without consulting the chief officials. The honorable member for Melbourne referred to the Chief Draughtsman at £300 a year.

Sir MALCOLM McEACHARN.—I say that the honorable gentleman is paying the Chief Draughtsman too little.

Sir WILLIAM LYNE.—This officer is employed in the head office in Melbourne. I do not wonder at honorable members saying that the salary proposed to be paid to him is low, and but for the fact that I have desired to avoid increases in salaries, I should like to pay this officer £400 a year.

Mr. PAGE.—How does the honorable gentleman come to have a Chief Clerk at £500 a year and a Chief Draughtsman at £300? Which is the professional man?

Sir WILLIAM LYNE.—The Chief Draughtsman is, no doubt, the professional man. I am being blamed because I have not put salaries up high enough, and only just now I was being blamed because I put them up too high. I tell honorable members that if they are prepared to give £400 or £500 a year for a draughtsman of a high class, I do not think that would be too high a salary, but at present I am not prepared to suggest an increase to this officer, who is a transferred officer from the Defence department. I am not asking for an increase in his salary, though I admit that the position warrants the payment of a higher salary than is here provided for. I would impress upon honorable members the fact that these officers will have to carry through a scheme of works for the various States, and we cannot get capable men who can be given this responsibility for a salary of £250 or £300 a year. I

may mention that Mr. Owen Smythe, a gentleman who has occupied a somewhat similar position in South Australia, has been recommended to me very highly for the position of Inspector-General of Works, and another officer has also been recommended for the position. I think honorable members will be satisfied with the proposed distribution of the expenditure, and I hope they will not reduce the vote after having passed it last year.

Mr. BATCHELOR (South Australia).—It is just the distribution of this expenditure which is causing all the trouble. I desire to draw attention to the curious method in which these salaries are arranged. There is a Chief Clerk provided for at £500 a year. It will be admitted that the office of a chief clerk is not a technical one, requiring a highly qualified officer. Then when we come to deal with the Chief Draughtsman who will have the preparation of the plans of all the important buildings constructed for the Commonwealth, involving an expenditure of many hundreds of thousands of pounds, and in some cases of scores of thousands of pounds for a particular building, we find that an officer is expected to do that work at £300 a year. Then we are to have Superintendents of Works at a salary not exceeding £600 a year.

Sir WILLIAM LYNE.—I admit the anomaly in the case of the Chief Draughtsman, but I am not prepared to recommend an increase this year.

Mr. BATCHELOR.—The anomaly appears to me to be a remarkable one. I put it to the Minister that these Superintendents of Works are merely clerks of works.

Sir WILLIAM LYNE.—No; they will all be professional men, though they may act as clerks of works.

Mr. BATCHELOR.—As a matter of fact they will have to look after the construction and erection of buildings in the various States, and it seems to me that, if we are going to pay them £600 a year, we will have superior men who will not act as clerks of works, and we shall have to pay other persons to do that work.

Mr. WATSON.—Are not these officers all to be clerks of works?

Mr. BATCHELOR.—Does the honorable member desire that we should have officers who shall be architects, engineers, and superintendents rolled into one. We have one great architect for the Commonwealth

receiving the magnificent salary of £300 a year; and, as a man who is paid such a salary as that will have to work very hard for it, there will be no necessity for other architects. These officers will not be architects, but clerks of works.

Sir WILLIAM LYNE.—No; they will nearly all be architects.

Mr. BATCHELOR.—Do we require an architect in each State.

Sir WILLIAM LYNE.—We do in the larger States. I hope to make a combination in the case of two, if not three, of the smaller States.

Mr. BATCHELOR.—I desire that the public works staff should be organized on something like an intelligent scale. It is certainly not an intelligent scale to have a Chief Draughtsman at £300, and a Chief Clerk at £500 a year, and subordinate architects getting twice the salary paid to the chief. I understand from the Minister that the reason why South Australia is not to have a Superintendent of Works—

Sir WILLIAM LYNE.—I do not know whether she is or not. I think the officer will not be a full superintendent. The officer employed will probably do the work of the Federal Government and of the State Government as well. The honorable member will see that there are four down at £600 a year. I hope to save enough on the vote to pay for more than four officers.

Mr. BATCHELOR.—There will be half the salary paid to some officers who will be largely employed by the State Governments?

Sir WILLIAM LYNE.—Yes.

Mr. BATCHELOR.—Am I to understand that that proposal came from the Premier of South Australia?

Sir WILLIAM LYNE.—Yes, and from Mr. Bird, the Treasurer of Tasmania.

Mr. BATCHELOR.—I should like to ask the honorable gentleman whether in proposing that arrangement the Premier of South Australia was aware that this would be "new" expenditure, and that he would save nothing from the revenue of his State by the arrangement? Was it pointed out that while South Australia indulged in a policy of self-abnegation it would have to contribute to the salary of the Superintendents without having the benefit of their services? If not it might be as well that it should be pointed out, and then this anxiety for economy for other States might not be so apparent.

Mr. CROUCH (Corio).—Last year this question was raised by the honorable

member for Gippsland, and the discussion lasted only a quarter of an hour. We have four days in which to complete the work of the session and yet this question has been discussed for two hours, which is a great pity. The answer which was made by the Minister last year was that there was some arrangement with Mr. Blackburn, who certainly is worth £600 a year.

Mr. SAWERS.—But the Minister says there is no appointment made yet.

Sir WILLIAM LYNE.—No; I said one had been made.

Mr. CROUCH.—The Superintendent of Works in Victoria is a competent architect and engineer, who for years had under his control the local defence works.

Sir WILLIAM LYNE.—He was Superintendent of Works, and he was taken over with the Defence department.

Mr. CROUCH.—If honorable members are prepared to reduce the salary of an officer who was taken over from the State service, they should face the position. But if not, what is the use of discussing an item which was freely discussed last year, and which it is really useless to re-discuss?

Mr. McDONALD (Kennedy).—I was surprised to hear the honorable and learned member for Corio state that because this item was discussed last year it should not be discussed this year. I am prepared to discuss the item every year if it is necessary. We were led to believe that there was no appointment made in this department.

Sir WILLIAM LYNE.—No. I said that last year.

Mr. McDONALD.—The Minister left the distinct impression on my mind this morning that no appointment had been made, and that he would try to get the best officers available to fill the positions. It has turned out, however, that a gentleman has been appointed at a salary of £600. I am prepared to take the responsibility of reducing his salary to £400. There seems to be no end to the growth of this department. The idea of giving the Chief Draughtsman £300, and officers who will act as clerks of works £600, is simply ridiculous. I do not believe that any private firm would do such a thing. It is quite possible to get qualified men to carry out the duties of the position for a much less salary. We have an Inspector-General of Works at a salary of £1,000. He is the architect-in-chief, and his duty is to see what works are to be carried out, and generally to

superintend their construction. I do not say that he can go everywhere, but he has subordinate officers at his disposal. A salary of £500 is too much for the work which the Chief Clerk has to do, and it should be reduced to £400. It is of no use for the Minister to say that the salary of a Superintendent is not to exceed £600, and that probably it will be £500; because we know very well that if the vote is passed, their salary will be £600. Under the circumstances I hope that the honorable member for Melbourne will move to reduce the salary to £400.

Sir WILLIAM LYNE.—Mr. Blackburn was getting a salary of £600 a year in the State service.

Mr. SAWERS (New England).—I am very pleased that the honorable and learned member for Corio has intervened in the debate, because, after listening to the Minister, I was under the impression that no appointment had been made.

Mr. POYNTER.—He qualified that statement afterwards by saying that one appointment had been made.

Mr. SAWERS.—That alters my attitude to some extent. If no appointment had been made, I should have joined the honorable member for Melbourne in voting for a reduction of the salaries of the Superintendents of Works. In New South Wales the construction of very many important works is supervised by clerks of works, at not more than £1 per day or at £5 per week.

Sir WILLIAM LYNE.—In New South Wales four officers doing corresponding duties each receive £800 per year.

Mr. SAWERS.—What is the nature of the works to be supervised by this department? The Commonwealth has no need to carry out any elaborate works. We have only the Postal, Customs, and Defence departments under our control, and is it necessary to have a man at a salary of £400 to superintend the erection of small post-offices throughout the Commonwealth? In New South Wales the clerks of works who superintend the construction of post-offices do not receive more than £5 per week. Again, in the Defence department, what is the nature of the public works to be carried out? I guarantee that good men could be obtained to superintend the erection of drill-sheds at a salary of £5 per week.

Sir WILLIAM LYNE.—But these officers have to deal with all the defence works, also.

Mr. SAWERS.—There are many works in connexion with that department, such as putting up drill-sheds and small barracks, which do not require the presence of a highly-paid official. The Minister can get men at £5 per week to do the supervising work. If we have to construct defence works, fortifications, and light-houses, then the presence of a superior man is required. But what is the Inspector-General of Works to do? Will he not find time to see that important works are properly carried out? Otherwise what has he to do? A difficulty has arisen from the appointment of one Superintendent at a salary of £600, but still, in times of economy, we should make an effort to reduce these items. It might meet the case if we combined the offices of Chief Clerk and Chief Draughtsman, at a salary of £500, thereby saving £300 a year. We must keep faith with the Superintendent who has been appointed, but I do not see why the Chief Clerk should get a penny more than the Chief Draughtsman. It is perfectly ridiculous to suggest that these officers should be architects, because all the plans are drawn up in the office; and for the supervision of nine-tenths of the works only Clerks of Works are required. The Minister may be surprised at a supporter speaking in this manner; but I got such an object-lesson last night in the fact that Ministers do not expect their supporters to stand by them that I feel that I ought to exercise my right to bring about some economy.

Sir WILLIAM LYNE.—It is not usual for the honorable member for New England to take the course he has taken. I am quite satisfied that he does not understand what these men are required to do, or what class of men they are. Honorable members do not know that before the Commonwealth took over the Defence departments there were various systems under which these works were carried out. In Victoria the works were done by the State department. In New South Wales there was a huge military staff to do the military works. I have taken all the military clerks from the branch in New South Wales and placed them under this department. The officer who will be appointed for New South Wales will have to deal with all the military works which previously were supervised by Major Owen, with a strong staff under him. Besides, it will not be long before we shall have to deal with the erection

of light-houses and other works. These officers cannot be and are not ordinary clerks of works; perhaps it would have been better if they had been called "sub-inspectors." I did anticipate that honorable members would clearly understand what class of officers was required. I hope that they will not attempt to reduce this amount. A salary of £500 was voted last year for a Chief Clerk, but no appointment has been made. I am quite prepared to take £400 for the Chief Clerk, as there is an anomaly between the salary of the Chief Draughtsman and that of the Chief Clerk. I must try to get a man good enough for the position of Chief Clerk at £400. I am sure that honorable members will see that there has been no extravagance. I economized to a considerable extent by amalgamating the civil and military branches.

Mr. JOSEPH COOK.—Will these appointments be made by the Public Service Commissioner?

Sir WILLIAM LYNE.—Not one of these appointments will be made until the Public Service Act is in force, and then they will be made on the recommendation of the Commissioner.

Mr. WATSON.—Will he have any power to recommend the rates to be paid?

Sir WILLIAM LYNE.—Yes. I inserted the words "not exceeding," so that I need not pay £600 a year if I do not require to do so. I wished to provide in the Public Service Bill that the Inspectors should receive a salary not exceeding £700 a year; but the words were omitted by the Senate, and the result is that I have been compelled to pay that amount. I believe that in two cases, I could have got an Inspector at £500, but the appropriation of a specific sum for the position prevented me from doing so. I introduced the words "not exceeding" in this case, so that I need not pay a salary of £600 if it is not necessary. The commissioner will have to recommend the men and the salaries.

Sir LANGDON BONYTHON (South Australia).—I have listened with care to the explanation of the Minister for Home Affairs, but I feel that in this instance I must vote with honorable members who are on the side of economy. I would not vote for the reduction of the salary of Mr. Blackburn, in whose case, it seems, we are committed to an expenditure of £600 per annum, but I see no reason why the other Superintendents should not be paid a

smaller amount. I fail to understand why the Chief Draughtsman should be given only £300 per annum, and the Superintendents £600 per annum each. Surely they will all be under the control of the Inspector-General of Works, in which case men of the attainments referred to by the Minister for Home Affairs are scarcely necessary, and the work of the office could be efficiently performed by officers receiving £400 a year. The committee should be very careful about sanctioning appointments, because just now federation is unpopular enough.

Sir WILLIAM LYNE.—Yes, in South Australia, because of the appointment of a few additional drill inspectors.

Sir LANGDON BONYTHON.—In other States as well. If we pile up expense, federation will become still more unpopular. It is my intention to vote for any proposed reduction of the salaries of these Superintendents.

Sir MALCOLM McEACHARN (Melbourne).—The discussion has rather tended to show that this department is likely to be an extremely expensive one. If these Superintendents are to be more than clerks of works, they will each want clerks of works, draughtsmen, and ordinary clerks to assist them in the performance of their duties. In my opinion, the salary of £600 is altogether too high, and I move—

That the item, "Superintendents of Works at salaries not exceeding £600 per annum, £1,950," be amended by the omission of the words "at Salaries" with a view to insert in lieu thereof the words "one at a salary."

If that amendment is carried we can provide for a salary of £600 to Mr. Blackburn, and of £400 for the others.

Mr. A. C. GROOM.—Three hundred pounds would be sufficient.

Sir MALCOLM McEACHARN.—I think so.

Sir WILLIAM LYNE.—I shall not appoint any at £300.

Sir MALCOLM McEACHARN.—The Minister has shown such a nice spirit throughout the discussion that I am willing to make the salary £400, except in Mr. Blackburn's case, and I would let his salary stand at £600.

Mr. A. C. GROOM.—Make him Inspector-General.

Sir MALCOLM McEACHARN.—That would be a good idea.

Mr. CROUCH. — Under the honorable member's proposal would not the other States get Superintendents of inferior ability to that of the Superintendent in Victoria?

Sir WILLIAM LYNE. — Of course they would. This is a very selfish proposal. The honorable member wants to give Victoria a Superintendent at £600, and the other States Superintendents at £400.

Mr. O'MALLEY (Tasmania). — The Minister for Home Affairs spoke about distant distribution. What we want is not the melliflence of distant distribution, but the beneficence of local distribution. It is not often that I can agree with the honorable member for Melbourne, but I am of opinion that £400 is sufficient for these positions. The Constitution fixes the remuneration of members of this Parliament at £400 a year, and, on general principles, I shall be willing to vote for the reduction of every salary in the service to that amount.

Mr. SKENE (Grampians). — What salary has the officer already appointed been receiving from the State from which he has been transferred?

Sir WILLIAM LYNE. — Six hundred pounds a year.

Mr. SKENE. — That being so, I think it would be unfair for the committee to reduce the amount.

Mr. A. C. GROOM. — Make him Inspector-General.

Mr. SKENE. — I do not know if he is qualified for that position, though he may be qualified for his present position. I should be inclined to leave that matter to the Minister. I think, however, that £400 would be sufficient for the other Superintendents. We should then be paying an average salary of £450 to the staff.

Mr. BAMFORD (Herbert). — I am in sympathy with the honorable member for Tasmania, but I do not think the people of the Commonwealth desire to sweat their servants. It is only the Ministry who have shown an inclination to do that. I think that Members of Parliament are being sweated by Ministers. The Minister for Home Affairs has my sympathy on this occasion, because I think that the attitude which he has taken up is a reasonable and proper one. Some honorable members seem to think that the Chief Draughtsman will occupy a more important position than that of the Superintendents, and should, therefore, receive as high

a salary, but in my opinion he will occupy a position requiring technical rather than general professional ability. He will have no designing to do, and no responsibility. If it were proposed that the Commonwealth should launch out into the construction of expensive buildings, his position might be a different one, but all that will have to be done will be to prepare plans and specifications for additions to post-offices and other existing buildings, many of which are merely wooden humpies. Perhaps it might be right to give the Draughtsman £400 a year, but certainly not more than that. Most of us have expressed our belief in the day-labour system, but if that system is to be carried out efficiently Parliament must have thoroughly competent and trustworthy men to superintend the work being done. Such men will hold very responsible positions, and could save more than the amount of their salaries.

Mr. SAWERS. — Some members of the committee may have expressed their belief in the day-labour system, but others have not.

Mr. BAMFORD. — I was not referring to conservatives, whose views never progress, and who are relics of an almost prehistoric age.

Mr. WILKS (Dalley). — I agree with the honorable member for Herbert. I think that a discretionary power should be given to the Minister in this matter.

Sir WILLIAM LYNE. — If I had appointed these officers last year, and spent the money instead of saving it, there would have been none of this discussion.

Mr. WILKS. — Yes. The foreman of a very small workshop who is worthy of his position, receives at least £300 a year, and the duties of the Superintendents of Works will be analogous to those of foremen, and should be remunerated in accordance with their importance. Efficient Superintendents will be able to prevent scamping and the introduction of inferior materials, and to guard the interests of the Commonwealth in other ways. It must not be forgotten that, although we may be opposed to the erection of costly buildings in the future, very expensive buildings have been transferred to the Commonwealth, and as they have to be maintained, and occasionally to be added to, skilful and trustworthy men will be required to superintend the work. In New South Wales there are more costly buildings than in any of the

other States, and it would, therefore, be wrong to pay to the New South Wales Superintendent a smaller salary than is paid to the Victorian Superintendent, whose remuneration I do not cavil at. There is always such a demand for the services of efficient clerks of works, that we shall not be able to get good men unless we are willing to pay them current rates of wages. When men can obtain £500 or £600 from private contractors, they will not take £400 from the Commonwealth. If honorable members consider that the Minister is likely to be extravagant, and is unworthy of his position, they should turn him out of office.

Mr. POYNTON (South Australia).—When the advisability of creating a works department was being discussed last year, the committee was against me because I foretold what was likely to happen. But honorable members have now a small indication of what the department is likely to cost the Commonwealth in the future. I held then, as I do now, that this department is altogether unnecessary at the present stage. The appointments already made or contemplated are only the forerunners of many others, and we shall have to establish offices in all the States for the accommodation of the staffs which are to work there on our behalf.

Mr. JOSEPH COOK.—South Australia is driving us to make these appointments by her exorbitant charges for supervision.

Mr. POYNTON.—I shall have something to say about that presently. The honorable member for South Australia, Mr. Batchelor, asked a very pertinent question regarding the arrangement made with the Government of South Australia. I am given to understand that a State officer is to superintend Commonwealth works there.

Sir WILLIAM LYNE.—No, we are taking over an officer from the South Australian Government, and making him a public servant of the Commonwealth, but we intend to allow the State Government to utilize part of his time. The Premier of South Australia made the suggestion, and I have agreed to it.

Mr. POYNTON.—Why could not a similar arrangement be made in the other States?

Sir WILLIAM LYNE.—Because in most of the other States the Superintendents of Public Works have more work than they can do already.

Mr. POYNTON.—It seems to me that South Australia has made a very bad bargain, because the cost of maintaining this department will be charged as new expenditure and debited to the States *per capita*. With regard to the alleged charge of 10 per cent. by the South Australian Government for the supervision of work for the Commonwealth, the Minister knows very well that that sum includes the cost of preparing the plans and specifications and a charge for the use of plant required in carrying out the works, in addition to the supervision. Therefore, I think it is unfair of the Minister to accuse the South Australian Government of making an exorbitant charge.

Mr. JOSEPH COOK.—The honorable member cannot make it any other than an exorbitant charge.

Mr. POYNTON.—The honorable member does not know what he is talking about. The cost of superintending the construction of Commonwealth works under the arrangement now proposed will be greater than that hitherto involved, because in addition to providing for the salaries of the supervising staff, it will be necessary to arrange for the plant which will have to be employed. Even if this is hired from the States Governments something will have to be paid for it. In view of all these circumstances, I think it is paltry on the part of the Minister for Home Affairs to add insult to injury by reiterating his accusation against the South Australian Government. If the Minister expects that Government to come to him, cap in hand, and ask him for £28—the 10 per cent. charge in connexion with a work which cost £280—he will be disappointed. They would sooner make him a present of the money than supplement their ample explanation. I hope that we have heard the last of the charge against South Australia of trying to obtain money for services which they have not rendered.

Sir WILLIAM LYNE.—They did make a charge of 10 per cent. for supervision.

Mr. POYNTON.—Does not the Minister know that the 10 per cent. included charges for the use of the plant employed, and for drawing up the plans and specifications, in addition to the actual supervision of the works whilst in course of construction? Does he not know that railway fares had to be paid in cases where officers were required to travel to outlying places to supervise additions made to post-offices and other

buildings? All these items were included in the 10 per cent.

Sir WILLIAM LYNE.—Yes, they were.

Mr. POYNTON.—Then is it fair to say that 10 per cent. was charged for mere supervision?

Sir WILLIAM LYNE.—It was charged for supervision, and 10 per cent. will always be considered as the charge for supervision unless it is put a stop to now.

Mr. POYNTON.—If the Minister desired to have any work carried out by day labour he would have to make some provision for the necessary plant, and he would also have to pay the railway fares of the men employed upon works situated any distance from the centres of population.

Mr. CROUCH.—We have had all this before.

Mr. POYNTON.—And the honorable and learned member will probably have to submit to it again. I consider it my duty to rebut the charge made absolutely without foundation against the South Australian Government.

Sir WILLIAM LYNE.—It is absolutely true.

Mr. POYNTON.—It is not true that the South Australian Government charged 10 per cent. for supervision only, and the Minister knows it. Why is he not man enough to acknowledge it?

Sir WILLIAM LYNE.—Why is not the honorable member man enough to admit that he is wrong?

Mr. POYNTON.—I think I have cited sufficient facts to show that the Minister is wrong. I shall support a reduction of this item. The officer who is provided for here will be merely an overseer of works, and if we judge by the rates paid by private employers, £300 per annum would be excellent pay for the work he will have to perform. The Inspector-General of Works, who receives £1,000 a year, has the most responsible work to do, and it would be absurd to pay an overseer £600 per annum, simply to supervise building operations. I find that the Chief Clerk in the department for Home Affairs receives a salary of £650 a year, and there is no department in the Commonwealth service in which so many billets, with high salaries attached, have been created. The Minister has in many cases selected his officers from outside instead of taking them from the States services, and

thus giving the States Governments an opportunity to retrench to an amount equivalent to the salary of the transferred officers. All the extra expense now contemplated will serve to further embarrass the States Governments, and probably compel them to retrench to a still greater degree than at present. The result of the vote given yesterday in regard to the construction of works out of revenue will throw the State finances into confusion, and we have the fullest justification, therefore, for cutting down all expenditure that is not absolutely necessary. The Minister is using the fact that one appointment has been made by him without consulting honorable members as a reason why he should be permitted to make a number of other appointments. But if we are to regard this as a sufficient reason our discussion of the Estimates must resolve itself into a farce. Honorable members should have an opportunity of knowing what appointments are proposed, and of keeping a careful watch over all expenditure, particularly in connexion with appointments to which high salaries are attached. If we approve of the appointment of a large number of highly-paid officials we shall be driven into the same position as that occupied by some of the States Governments, and shall be compelled to make percentage reductions upon the salaries of all the Commonwealth employees. That would place us in a most undignified position. I was accused of having been a party to a large increased expenditure in connexion with the Public Service Act. I am quite prepared to take the responsibility of having fought for an increase of the pay of employes who have been in the service for from nine to eighteen years at a salaries as low as £60 per annum. There is no crime in taking such a step, but the Minister is open to the most serious reproach for having created an absolutely unnecessary department.

Mr. GLYNN (South Australia).—I shall support the reduction proposed for the reasons stated by the honorable member for South Australia, Mr. Poynton. I agree with him that this department ought not to have been created. No additions have been made to the work formerly carried out in the States, because we have not increased the number of Government buildings except by the purchase of one or two offices in Melbourne. The work of supervision has not grown, and I cannot see why

the Minister should not have made an arrangement with all the States to share the payment of the salaries of their Superintendents of Public Works. It may be urged in some of the States that, inasmuch as the duties of the Superintendents of Works have been curtailed owing to the transfer of several State departments to the Commonwealth, the salaries should also be reduced, but we could stop that cry by contributing a portion of the salaries now paid and maintaining them at the present figures. That would prove a very good arrangement for some years to come, and would certainly obviate the necessity for the creation of a new department. It is simply from a desire to emphasize the objection which has been so well put by my honorable colleague, that I support the reduction. I can assure the honorable member that I did not single him out for censure in regard to the determination of Parliament that a minimum salary of £110 should be paid to all adults who had been in the Commonwealth service for three years. I think that he went so far as to consult me in regard to the wording of that proposal. The Government desired to limit the minimum proposed to new officers, which, of course, would have been grossly unfair. The honorable member's amendment, however, had the effect of making the Act consistent. I repeat that I did not single him out for censure, because throughout his motives have been perfectly disinterested. I do not think that the Minister was quite fair to the honorable member when he spoke of the 10 per cent. commission which South Australia wishes to charge for the supervision of Commonwealth public works. If I remember rightly I think the honorable member said that the 10 per cent. in question, although debited to supervision, included travelling expenses and the use of a plant.

Sir WILLIAM LYNE.—It was not much of a plant.

Mr. GLYNN.—The honorable gentleman should not be so suspicious. At all events the charge is not an exorbitant one when we consider that so many items are included in it.

Mr. SYDNEY SMITH (Macquarie).—I have listened attentively to the suggestions which have been made, principally by Ministerial supporters, and I have come to the conclusion that it is absolutely necessary we should have efficient officers to supervise the carrying out

of the public works which have to be undertaken by the Commonwealth. Last night reference was made to the salaries which it is proposed to pay these officers, and it was pointed out that no amount had been definitely decided upon. They are, however, "not to exceed" £600 a year. When the Public Service Act was under discussion, honorable members were very anxious that the control of our public servants should be vested in the commissioner. Of course he is required to make a recommendation, but, in order to avoid the possibility of appointments being made as the result of political influence, Parliament, after an exhaustive debate, decided to rely to a great extent upon his judgment. That being so, it seems to me that the proposal of the Ministry is a perfectly fair one. The honorable member who has moved the amendment has entirely given away his case. He states that the officer who has been appointed in Victoria at a salary of £600 a year should be retained at that rate, but that in the other States a thoroughly competent officer could be secured for considerably less. Seeing that the Government proposal is that the emoluments attached to the office shall not exceed £600 a year, I think that the matter of determining the exact amount might well be left to the discretion of the Public Service Commissioner. From my knowledge of that gentleman I have no hesitation in saying that if he can secure the services of a qualified man for a less sum he will do so. Whilst I am thoroughly desirous that economy should be exercised in the administration of our public affairs, I would remind honorable members that if we attempt to unduly cut down salaries we run the risk of effecting only a false economy. If we wish to secure the services of a thoroughly efficient professional man, upon whom the Government can rely in important matters involving the expenditure of about £300,000 we ought to be careful to give the Public Service Commissioner discretionary power to make the office worth £600, if he thinks it is desirable to do so.

Mr. JOSEPH COOK (Parramatta).—It seems to me that this matter can be submitted to a very simple test. Either there is extravagance in this department, or there is not. I propose to show that there has been no extravagance up to the present time. Taking the whole of the Estimates in the branch department which is now under review,

I find that the total cost of administration represents £5,267, whereas the works proposed to be constructed this year will involve an outlay of £300,000. Dividing the latter amount by the former, I find that the cost of administration represents less than 2 per cent. on the total amount proposed to be spent. Will any one say that that is an evidence of extravagance?

Mr. A. C. GROOM. — Will that amount be spent every year?

Mr. JOSEPH COOK. — I should say that more would be spent. This department must inevitably grow. Up to the present time it has not taken over all the functions which properly belong to it. When it assumes control of light-houses, beacons, &c., there is no doubt that the outlay will be largely increased. Whilst it is the duty of honorable members to keep the expenditure down to the lowest possible limit consistent with efficiency, we must remember that the services have to be maintained. To my mind the questions which we have to determine are—"What does it cost to maintain these works in a state of efficiency?" and—"Can we by exercising control over them ourselves make a better arrangement than if they were carried out under State control?" The facts speak for themselves. The total cost of this department next year will be less than 2 per cent. upon the amount of money expended. That is the result obtained by a simple calculation. On the other hand South Australia wishes to charge 10 per cent. on the sum which has been expended upon Commonwealth public works in that State. If every other State charged upon the same scale the cost of carrying out the works projected for this year would be £30,000 instead of £5,000 as set down in these Estimates.

Mr. CAMERON.—The honorable member is allowing nothing for material. That 10 per cent. includes the use of plant and material.

Mr. JOSEPH COOK.—I am told that a very small amount is represented by plant, but if half of the total were so represented the charge would still be excessive. It is of no use endeavouring to make it appear that the charge is a small one. It is a scandalously extortionate one. I cannot generally be accused of a desire to assist the Ministry, but I cannot shut my eyes to the patent facts to which I have called attention. We ought to look at this matter from a purely

business stand-point, and when I see that the cost of the administration of this department is moderate in the extreme, I am at a loss to understand the complaints of honorable members who represent a State which proposes to charge the Commonwealth an extortionate rate for the supervision of the public works carried out within its borders. The proposal is a moderate one of less than 2 per cent., and I do not think that the expenses of management can be much further reduced.

Mr. McCOLL (Echuca).—The amount proposed is not excessive, considering the work there is to do, but, at the same time. I cannot help thinking that the formation of the department is premature. We ought to keep expenses as low as possible, and we must remember that the proposed expenditure is only the beginning. There is only one appointment at £600 at present, the others having yet to be made; and I had hoped that the inauguration of the Commonwealth would bring about a different system of public works from that which has prevailed in the States. My experience of public works administration in the States is that it becomes hide-bound and most unsatisfactory; it does not keep in touch with modern improvements, and in almost every case is extremely extravagant. If a department of this kind is to be ruled by two or three men, the whole of the work will flow from the brains of that small number. Why should we not, in the matter of Commonwealth works, have the benefit of the best brains in the community? Why should we not call for plans and specifications, and let the successful competitor have the supervision of the work?

Mr. WATSON.—Does the honorable member propose that there should be competition in regard to every little work?

Mr. McCOLL.—Not at all; for small repairs the services of a small staff might be retained. But I utterly fail to see the necessity for a large and elaborate staff. In the future such a staff may be necessary, but under present conditions, it is premature. I do not agree with the suggestion that the whole of the work should be done by day labour. In my opinion, we shall get better and cheaper work under the contract system, with a stipulation for the payment of a minimum wage. I do not approve of differentiating between the salaries, and I cannot support the proposal of the honorable member for Melbourne. If one man

is worth £600 per annum, the others ought to be worth the same, or the salaries of all should be cut down. It is difficult for honorable members who do not know the whole of the facts to "pick holes" in the Estimates, and it is not a wise course to knock a little off here and a little off there. In fact, in my opinion, the committee are not qualified to reduce the Estimates in that way. I should much rather see the whole division withdrawn, and the work carried on under somewhat better arrangement with the States.

Mr. WINTER COOKE (Wannon).—The honorable member for Echuca has said that we ought not to differentiate between the payments of these officers; but, unfortunately, the sum of £1,950 demands differentiation.

Mr. McCOLL.—What I mean is, that though the Minister may be able to differentiate in making the appointments, the committee cannot very well do so.

Mr. WINTER COOKE.—But the committee is giving a direction that there must be differentiation. As I understand, the Government are pledged to the appointment of a Victorian officer at £600 per annum. That leaves only £1,350 for the other three officers, an equal division amongst whom will mean an average of £485; therefore, the argument as to differentiation seems to fall to the ground when it is used against the amendment of the honorable member for Melbourne. I am rather inclined to vote for the amendment, because, first of all, I have not yet gathered from the Minister what are the duties of these Superintendents. We had what I may venture, without disrespect, to call a cloud of words from the Minister this morning, when the honorable gentleman indulged in a sort of hurricane, and seemed very indignant at the criticism offered. But all he said did not make my mind clear as to whether the Superintendents are to be architects or merely clerks of works. If the work is simply to be that of a clerk of works, then each Superintendent would be well paid at something less than £400 a year; but if, on the other hand, the duties involve the work of a professional architect, then the payment of £450 is not adequate. If a suggestion made be carried out, and a Superintendent be appointed for New South Wales also at a salary of £600, then only £750 will be left out of the vote with which to meet the requirements

of the four other States, and the consequent remuneration for the work of a professional architect means very poor pay. I quite agree that £300 per annum is an utterly absurd salary for a Chief Draughtsman, in view of the fact that the Chief Clerk is to receive £500 and the Superintendents are to be paid the rates indicated. If the Minister will enlighten the committee as to what work the Superintendents are expected to perform, honorable members will have some idea of what they are voting about. At present the committee generally are, I believe, quite in the dark as to what the duties are. If, as I gather so far, the duties are more likely to be those of a clerk of works, I shall vote for the suggested slight reduction.

Mr. HENRY WILLIS (Robertson).—Having had some experience in the oversight of contract work, I think that the opportunities for a man receiving "consideration" from contractors, are more likely to occur if the salary is poor than they are if the salary be adequate. In New South Wales, where the works are extensive and involve hundreds of thousands of pounds, nothing less than £600 per annum should be paid for the performance of these duties.

Mr. WINTER COOKE. — What are the duties?

Mr. HENRY WILLIS.—I take it that the duty of a superintendent is to supervise the construction of the most extensive works throughout the State. Such a man must have the technical knowledge of a civil engineer; he must be able to take out quantities, know what work should cost, and also know when work is done according to specification. A man may be a "good fellow" and highly respected by the Minister, but it does not follow that he is competent to supervise the construction of public works. That a State like New South Wales should accept an officer at a lower salary than is paid to a similar officer in Victoria is a suggestion which I can scarcely believe is serious; and £600 a year is little enough for the duties to be performed in the former State. I take it that the officers appointed for the other States will not necessarily be paid much less than is paid to the Superintendents in Victoria and New South Wales, seeing that it is likely they will be transferred from one State to

another; for instance, that the Queensland officer will supervise the Northern Territory and possibly Tasmania, while the South Australian Superintendent will do work for Western Australia. I hope, therefore, that provision has been made for adequately paying these Superintendents, who, unless they have the necessary technical knowledge, will not be fit for the position.

Mr. R. EDWARDS (Oxley).—I take it that the reduction suggested is not intended to apply to the officer appointed for Victoria. If that be so, it is very unfair to the other three Superintendents, and I shall not be able to support the amendment. These are positions of considerable responsibility, and ought to be filled by able men. It is not likely that for £400 a year we shall be able to get capable professional men who have had to spend some years in qualifying themselves. If they do accept the position at such a salary they will be dissatisfied and render unwilling and unsatisfactory service. It would be better for the committee to pass the vote as it appears in the Estimates, seeing that on the average it does not amount to £500 for each Superintendent.

Mr. MANIFOLD (Corangamite).—I am one who cannot see that the Minister for Home Affairs is very extravagant in his proposal. If it be necessary to have these officers they should undoubtedly be fairly paid. But I rose more particularly to protest against the suggestion that the honorable member for Melbourne wishes to pay the Victorian officer £600 per annum, while cutting down the salaries of the other officers. I understand that the officer at £600 has already been appointed, and my opinion is that as he is paid the higher salary he will not be regarded as a Victorian officer solely, but will be sent to any part of the States where his services may be required. It is very unfair to suggest that Victorian members are endeavouring to keep up the salaries of officers within their own State, whilst starving other officers of the Commonwealth.

Sir LANGDON BONYTHON (South Australia).—I intended to say what has substantially been said by the honorable member for Corangamite. I should like to add, however, that the honorable member for Melbourne, when he announced that he would move a reduction, had no

knowledge that there was any officer at the present time holding an appointment. I mention this to show that in the mind of the honorable member there was no question of Victoria as against any other State.

Sir WILLIAM LYNE.—There is one point I forgot to mention, or I should not have risen again. It is a long time since the subdivision of officers was made, and I did not anticipate the debate this afternoon, thinking that the Estimates last year had decided the matter for the present. What was intended when the subdivision was made was that the Inspector-General of Works should reside in the State where the head office is located, and that there should be no second officer at £600. It was intended that the chief officer should supervise all plans and works at the head office, as well as exercise a general supervision in the other States, and that there should be an officer in Queensland, New South Wales, and Western Australia respectively, at £600 or less, the money originally intended for the second officer being devoted to the supervision of works in Tasmania and South Australia. That is how the arrangement was made, and the salaries of these officers came on to the Estimates as they are. The recommendation originally was that six officers should be appointed at £600 a year each, but in order to economize, I arranged the matter as I have explained. I should have been perfectly justified in appointing six officers, because the House voted the money last session. But I was able to struggle along with a less number—and it has been a struggle during the past twelve months. I did that for purposes of economy. I hope honorable members will give me credit for having tried to conserve the interests of the Treasury instead of being extravagant. If six appointments had been made the money would have been voted without a word of criticism. The Public Service Commissioner will recommend the salaries to be paid, and I put in the words, "not exceeding £600," so that if I could get a satisfactory man for £500 he might be appointed. I hardly think, however, that any man qualified for the position would be obtainable in the Commonwealth at £400. It will be entirely a question whether a proper man can be obtained for less than the money here specified, and that will have to be determined by the commissioner.

Question—That the words “at salaries” proposed to be omitted stand part of the item—put. The committee divided.

Ayes	27
Noes	15

Majority	12
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AYES.

Bamford, F. W.	Mahon, H.
Cameron, N.	Manifold, J. C.
Clarke, F.	McColl, J. H.
Cook, J.	Sewers, W. B. S. C.
Crouch, R. A.	Smith, S.
Cruickshank, G. A.	Solomon, E.
Deakin, A.	Turner, Sir G.
Edwards, G. B.	Wilkinson, J.
Edwards, R.	Wilks, W. H.
Fowler, J. M.	Willis, H.
Fysh, Sir P. O.	
Groom, L. E.	
Kingston, C. C.	<i>Tellers.</i>
Lyne, Sir W. J.	Fuller, G. W.
Macdonald-Paterson, T.	Cook, J. Hume

NOES.

Batchelor, E. J.	Poynton, A.
Bonython, Sir J. L.	Quick, Sir J.
Cooke, S. W.	Skene, T.
Glynn, P. McM.	Watson, J. C.
Groom, A. C.	
Kennedy, T.	<i>Tellers.</i>
O'Malley, K.	Salmon, C. C.
Page, J.	McDonald, C.
Paterson, A.	

PAIRS.

<i>For.</i>	<i>Against.</i>
Watkins, D.	Tudor, F.
Ewing, T. T.	Solomon, V. L.
Mauger, S.	McEacharn, Sir M.

Question so resolved in the affirmative.

Amendment negatived.

Sir WILLIAM LYNE.—I promised to reduce the salary of the Chief Clerk from £500 to £400. I therefore move—

That the item—“Chief Clerk at £500 per annum from 1st October, 1902, £375,” be reduced by £75.

Amendment agreed to.

Reduced vote, £9692, agreed to.

Division 22 (*Works and Buildings*)—£79,300.

Mr. MAHON (Coolgardie).—I notice here a very large outlay on rent. Possibly it might be economical in some of the States to pay rent instead of erecting buildings, but the amount appears extraordinarily large. In Western Australia the sum paid as rent is £1,112. I draw attention to the matter because in the year 1898 a Royal Commission appointed by the Western Australian Government recommended a considerable saving in this direction. For instance, at Fremantle the

Government had paid for twenty years £170 a year for three rooms. The Royal commission stated that the rent paid was far more than the cost of permanent buildings would have been. I do not know whether the Commonwealth Government is paying £170 a year for the use of those rooms at Fremantle, but I suggest to the Minister that a more economical arrangement could be made. Of course, I am ignorant as to whether the recommendations of the Royal commission, the report of which was dated 25th October, 1899, were carried out, but I trust that the Minister will look into the matter, and see if any saving can be effected under this heading.

Mr. SALMON (Laanecoorie).—I wish to ask for an explanation of the item under the heading, “Victoria,” “Fittings and furniture, Home Affairs, £1,050.” Does the item relate to office furniture?

Sir WILLIAM LYNE.—The honorable member will see that there is a sum of £3,407 provided for fittings and furniture required in Victoria. That sum includes £1,500 for the Post and Telegraph department, £485 for the Defence department, £165 for the department of Trade and Customs, £100 for the Treasury, and £1,050 for the department of Home Affairs. A new building has been erected for us by the State at the end of the original Federal Offices, in which the department of Home Affairs is located, while we have taken two adjoining buildings which have since been knocked into one. All these buildings have to be furnished, and the cost of fitting up and furnishing the rooms for the various departments is charged to the department of Home Affairs.

Mr. POYNTON (South Australia).—I desire some further information upon the same point. I notice that provision is made for £200 for fittings and furniture for the department of Home Affairs in New South Wales, and £75 for electric lighting and telephonic communication, while in Victoria provision is made for £1,050 for fittings and furniture, and £120 for electric lighting and telephonic communication for the same department. Provision is also made for £200 for fittings and furniture, and £10 for electric lighting and telephonic communication for the department in Queensland; and £200 for fittings and furniture, and £10 for electric lighting and telephone

communication for the department in South Australia ; and £200 for fittings and furniture, and £10 for electric lighting and telephonic communication for the department in Western Australia ; and £100 for fittings and furniture, and £10 for electric lighting and telephonic communication for the department in Tasmania. I desire to know whether this expenditure relates to the club rooms which, according to a statement which appeared in the press some time ago, the Minister intends to establish in the several States for the benefit of members of this Parliament. Such a provision has never been asked for by us. There is no office in connexion with the department of Home Affairs in South Australia, and I should like to know how the money provided for fittings and furniture for the Department in that State is to be spent.

Sir WILLIAM LYNE.—The honorable member will see that it is absolutely necessary that the rooms for the public service inspectors and the Superintendents of Public Works, as well as the club-room in each State capital, should be furnished. The amounts named by him mainly represent the cost of fitting up and furnishing rooms for the Inspectors under the Public Service Act, and those rooms will also be used for other purposes. It is true that there is no office in connexion with the department of Home Affairs in South Australia ; but what I propose to do there, as in the other States, is to make an arrangement to obtain part of a public building or else to rent a private building for the use of the Public Service Inspector and the Superintendent of Works. I hope to visit South Australia shortly in order to make the necessary arrangements. Perhaps a room for the Superintendent of Works will be more necessary in other States than it is in South Australia, but these several amounts represent the cost of furnishing the various offices. Despite the sneers which have been cast at the proposal to provide in each State a meeting place for members of the Federal Parliament, I intend to attach to each of the offices to which I have referred, a room for that purpose. Notwithstanding the criticisms which have been directed against the proposal, I think it is essentially necessary. During the recess, honorable members, who may be away from the House, would otherwise have no place in the different States capitals at which to meet, do their writing, obtain their mails,

and inspect the parliamentary papers which it is proposed to keep in these rooms. These items include the cost of furnishing such rooms.

Mr. SALMON (Laanecoorie).—The total provision made for fittings and furniture is £11,463. We have taken over certain transferred departments, but it seems that we are now to provide new furniture for them. When we entered into federation we told the people of Australia that the cost of government would be reduced. It seems to me, however, that it will be increased. Why should the customs-houses and the various post-offices require new fittings and furniture ? I do not desire to say anything about club rooms for members. If the Minister thinks it is right that they should be provided, I have nothing to say in regard to them ; but we are entitled to have the fullest information in regard to these items. I put this question simply that I may know how the money is being spent.

Sir WILLIAM LYNE.—With reference to the item of £1,050 for furniture and fittings for the department of Home Affairs in Victoria, I should explain to the honorable member for Laanecoorie that it includes £750 which it was proposed to vote for the new installation of electric light at Government-house, required by the city corporation, as well as under the insurance policy. I have consulted the Cabinet in reference to this matter. The Acting Prime Minister made a statement a short time ago that the items embraced by the motion which he submitted in regard to the Governor-General's establishment included everything. This expenditure in regard to the electric light at Government-house has been forced upon us since that statement was made. It is not my intention to spend the whole of this sum of £750, but to allow the electric light to be cut off in accordance with the notice which we have received intimating that it is to be withdrawn on the 2nd inst. We propose to supply incandescent lights in lieu of the electric light, and that will cost only about £250, instead of £750. That is the decision which has been arrived at, and we propose to carry it out as soon as possible.

Mr. SALMON.—Surely this provision for lighting Government-house is under the wrong heading ? It should appear under the heading of "Governor-General's Establishment."

Sir WILLIAM LYNE.—The honorable member must blame the Treasurer for that. In reference to the total provision which the committee is asked to make for fittings and furniture, I would point out that it includes the cost of furniture for new post-offices, for extension of existing post-offices, and for new custom-houses, and extensions wherever required, as well as repairs and the new furniture which may occasionally be required in the existing offices. We cannot make any arrangements with the States to renew the furniture which has been taken over with these departments. We have to provide for renewals, and also for the furnishing of any new office or additions in any part of the Commonwealth. Although the item may appear to be large, it must be remembered that it covers the cost of fittings and furniture for the federal offices all over the Commonwealth.

Mr. A. C. GROOM (Flinders).—I notice that the rent payable by the Commonwealth amounts to £21,200. Out of that sum £12,403 is paid in respect of New South Wales. That seems to me to be altogether out of proportion, and I should like the Minister to give us some information upon the point.

Sir WILLIAM LYNE.—The item to which the honorable member refers includes £9,500 for rent of postal buildings in New South Wales.

Mr. A. C. GROOM.—Why should we have to pay more in New South Wales than in any of the other States?

Sir WILLIAM LYNE.—I caused the Postmaster-General to make a special inquiry into the item as affecting New South Wales in order to see whether or not any mistake had been made. I thought at first that it represented rent payable to the Railways Commissioners, and fixed by rule of thumb, for railway buildings used also for postal purposes. I find, however, that only a very small proportion of the amount is payable in that way. The bulk of it is payable in respect of rent of post-offices all over New South Wales. The same remark will apply, although not to the same extent, to all the other States. All rents payable in respect of any buildings are brought under the Estimates of the department of Home Affairs. The honorable member will see that the sum of £21,200 represents the cost of buildings rented, not only for my department, but for all departments.

Mr. R. EDWARDS (Oxley).—With regard to the sum of £200 proposed to be spent upon fittings and furniture for the department in Queensland, I should like to know whether it represents the cost of furnishing a new office or offices or refurnishing. I desire to impress upon the Minister the absolute necessity for economy in this direction, so far as Queensland is concerned. In that State we do not require luxuriously furnished club-rooms, such as now exist in Sydney and Melbourne. We shall be willing to do with something less pretentious in order to avoid expense. I hope the Minister will be able to strike out the item of £200.

Sir WILLIAM LYNE.—I trust that the honorable member will not ask me to strike it out. As I have already explained, we shall require rooms for the use of the Public Service Inspectors, the Superintendents of Works, and one or two clerks whom we shall employ in each State. We cannot throw ourselves upon the liberality of the States in a matter of that kind. An expenditure of £200 upon furniture does not go very far. It would be quite impossible to lavishly furnish these rooms for the officers for the amount named. As I stated just now, I intend also to have a room set apart in Brisbane for the use of honorable members. The room will not be extravagantly, but only comfortably furnished. As some exception has been taken to what has been called the lavish furnishing of the rooms set apart for Ministers, I would point out that in the administration of his department a Minister has to spend most of his time in his office, and might fairly expect to have some consideration paid to his comfort. I have always held that opinion. Some complaints have been made in the Senate, but not to any extent in this House, and I do not think there has been any extravagance. There will be no undue extravagance, but we must have some provision for fittings and furniture, so that we may not be called upon to throw ourselves upon the States.

Mr. POYNTON (South Australia).—I do not see any provision made here for caretakers or messengers for these clubs, nor is any provision made for the rent of the establishments. So far as South Australia is concerned, what is proposed is not being asked for, and honorable members representing South Australia are unanimous in the view that we do not need it, as Parliament House in Adelaide is open to

us at any time, and we have the run of the whole establishment. It seems to me that we are erecting an edifice in connexion with this department, which after it is built will come down with such a crash that we shall all be lost in its ruins. When South Australia asks for such an establishment as is here proposed to be provided, it will be time enough to supply it.

Sir WILLIAM LYNE.—We shall not wait until South Australia asks for it.

Mr. POYNTON.—I suppose the honorable gentleman has some idea as to what a new building for the purpose will cost if the intention be to erect one, or what rent will have to be paid if it is not intended to erect a new building. I move—

That the item, "South Australia—Home Affairs, fittings and furniture, £200," be omitted.

Mr. SYDNEY SMITH (Macquarie).—Some remarks have appeared in the newspapers within the last few days about a mantelpiece which is supposed to have cost £100.

Mr. BATCHELOR.—The honorable member will find the explanation in yesterday's *Herald*.

Mr. SYDNEY SMITH.—I think that in that explanation all the information now available was not given. It was certainly not as full an explanation as I should have liked the Minister to give.

Sir WILLIAM LYNE.—With reference to the motion moved by the honorable member for South Australia, Mr. Poynton, I find that already arrangements have been made to secure the rooms required at the General Post-office in Adelaide, and in Brisbane arrangements have been made for rooms in the Custom-house. In each case the rooms are unfurnished, and these amounts are put down to provide furniture. As to the statement made with reference to some extravagance said to have been entered into in connexion with a mantelpiece for the federal offices in Sydney, I have had further light thrown upon the matter this afternoon. I find that the mantelpiece to which reference has been made was ordered by a member of the State Government of New South Wales, and has been partly made in Melbourne. This afternoon I was asked to inspect it before it was sent to Sydney.

Mr. WILKS.—What State Minister is referred to?

Sir WILLIAM LYNE.—It was ordered for the office of the State Attorney-General

in Sydney. The matter has nothing to do with the Federal Government, and, as I stated yesterday, I knew nothing whatever about it. An application has come to me this afternoon to inspect a mantelpiece before it is sent to Sydney, and I presume it is the mantelpiece about which so much has been said. I hope the honorable member for South Australia, Mr. Poynton, will withdraw his motion, seeing that the amount to which he takes objection is required to furnish rooms which are already provided.

Mr. WILKINSON (Moreton).—I did not quite follow the honorable gentleman on the subject of the rents being charged. Am I to understand that these rents are being paid for portions of railway stations and other buildings in which post-office business is being conducted? Do they, for instance, include the rent of post and telegraph offices for which the States have not yet been paid?

Sir WILLIAM LYNE.—No; it is for private buildings that are being occupied under arrangements as to rent carried out by the State Governments before the departments were transferred.

Mr. WILKINSON.—The disproportion in the amount provided for New South Wales as compared with the other States seems to show that the practice to which the honorable gentleman has referred must have been resorted to more frequently in New South Wales than in the other States.

Sir WILLIAM LYNE.—I have pointed out that, as the result of a special investigation, that has been found to be the case.

Mr. WILKINSON.—So far, I understand, we are not paying the State Government anything for the use of the ordinary post and telegraph offices and Custom-houses.

Sir WILLIAM LYNE.—No; but by-and-by we shall have to pay back interest upon the cost of construction.

Mr. BATCHELOR (South Australia).—I desire to say that I agree with the honorable member, Mr. Poynton, that the room which has been referred to, is not required in South Australia, and will not be used by federal members representing that State. I therefore do not intend to support the vote.

Sir LANGDON BONYTHON (South Australia).—I entirely agree with my colleagues from South Australia upon this matter. I do not think we need any such room, and I am sure that if such a room were provided and elaborately furnished, it

would never be used by federal representatives of the State.

Sir WILLIAM LYNE.—I wish to impress upon honorable members that most of the furniture required will be for rooms in the General Post-office that have been secured for the purposes of public offices.

Sir LANGDON BONYTHON.—We have no objection to that.

Amendment negatived.

Mr. SALMON (Laanecoorie).—I am loath to repeat gossip, but I have heard it said upon good authority that the furniture purchased for the federal offices in Melbourne was paid for at a very extravagant rate.

Mr. MAUGER.—And made by Chinese.

Mr. SALMON.—I know by whom it was supplied, but I do not know by whom it was made. I understand that the officer appointed to look after the matter was borrowed from a State department, and that by his action the Federal Government have been rushed into expense which should never have been incurred. I desire to know whether that is correct, and if it is whether the Minister will take steps to have such matters carried out in future by an officer entirely under the control of the Federal Government?

Mr. MAUGER (Melbourne Ports).—I desire to ask the Minister whether, in the purchase of any furniture required in the future by the Federal Government, he will take steps to see that it is not Chinese made, and that business is not done with firms which give a preference to Chinese labour? The Government should insist upon having the work of Australian workmen, and they should not deal with firms who encourage Chinese labour.

Mr. TUDOR (Yarra).—I desire to emphasize the request of the honorable member for Melbourne Ports. I hope the Minister will insist that in future any furniture contracted for will be made by white workmen on the premises of the contractor. The conditions provided by the department are very stringent, and no one can take exception to them, but I trust that the Minister will see that they are carried out. A case was brought under my notice in which it was shown that a leading firm in this city was violating the conditions of a contract which they themselves signed.

Sir WILLIAM LYNE.—There is a good deal of truth in the statement referred to by the honorable member for Laanecoorie. We were compelled, in the first instance, to

have a great deal of work done by State officers, and furniture was obtained by them. Since the appointment of Mr. Blackburn I have utilized his services, and we are now getting furniture to our own order, and are paying nearly 50 per cent. less for it than we paid for the furniture supplied to the order of the State officer.

Mr. SALMON.—Then I think the State should pay the difference.

Sir WILLIAM LYNE.—The honorable member for Yarra directed my attention to a certain case, and I had some trouble in discovering whether, as a matter of fact, the furniture supplied had been made in the way described. I found that it had, and the persons who supplied it admitted the fact, with the result that I have fined them and cancelled the contract. There will be no Chinese furniture purchased by the Government. It will all have to be made by European workmen.

Vote agreed to.

Division 22A (*Governor-General's establishment*)—£5,500.

Mr. MAHON (Coolgardie).—I think we should have an explanation of this item.

Sir GEORGE TURNER.—This is the vote to which Parliament has already agreed by the passing of a special motion.

Mr. MAHON.—I was unable to recognise it, because I find such items as "flags and orderlies," and "china and glass" included in the vote. Is the expenditure upon those items properly a portion of our responsibility?

Sir GEORGE TURNER.—Yes; the amount is exactly the same. We had included flags, but I found there were some odds and ends, such as gloves, required for the orderlies.

Vote agreed to.

Division 23 (*Miscellaneous*)—£49,932.

Mr. POYNTON (South Australia).—I desire to have some information upon the item of £35,000 for electoral expenditure. I fail to see the necessity for so large a vote for the compilation of new rolls, as in some of the States, provision is already made for the reprinting of the rolls.

Sir WILLIAM LYNE.—This matter was debated last night, and I gave a full explanation of it for each State.

Mr. POYNTON.—The honorable gentleman explained that it was going to cost £17,000 to compile the rolls for Victoria.

Sir WILLIAM LYNE.—In New South Wales because of women's suffrage the

Government have to prepare rolls, whereas in Victoria they have not, and we have to bear half the expense at least.

Mr. POYNTON.—A census has recently been taken in all the States, and surely it is not difficult to compile the rolls from the census returns. If it were intended to send out policemen and others to collect the necessary information for the compilation of the new rolls, I could understand a sum of £35,000 being spent. But this is new expenditure, and the amount chargeable to South Australia will be over £3,000, although it will not cost £100 to do the work there.

Sir WILLIAM LYNE.—The amount is £700 for South Australia.

Mr. POYNTON.—For doing that £700 worth of work, the cost to South Australia will be over £3,000. I think that the item can be reduced.

Sir WILLIAM LYNE.—It cannot be reduced, as I explained last night. The original estimate was reduced by £15,000. Perhaps I have gone too low, but I shall try to get the work done for £35,000.

Mr. POYNTON.—I move—

That the item, "Expenses in connexion with the introduction of the Electoral Act . . . £35,000," be reduced by £10,000.

Mr. WILKS (Dalley).—I am not prepared to support the amendment, but I think that the Minister should take a note of the suggestion that the rolls should be collected from the census returns.

Sir WILLIAM LYNE.—They will be utilized to the fullest extent.

Mr. WILKS.—If they are utilized to the fullest extent, especially in regard to women, the Minister will be able to have enrolled a great many persons. It is machinery which he can wisely adopt. I desire to know whether he is prepared to give any information in regard to the appointment of permanent officers under the Electoral Act, such as returning officers, or to state what machinery will be used?

Mr. BATCHELOR (South Australia).—It seems to me that £700 will not go very far in putting the rolls of South Australia in a correct state. Certainly the best plan is to use the census returns. In South Australia, it was done to some extent, and done very badly. In the district of East Torrens, for instance, some 2,000 names were left off the roll. In that State the electoral rolls are notoriously inaccurate—more inaccurate than they have been for very many

years. The old rolls were discarded after the census was taken. Every adult citizen was supposed to make a fresh claim to have his name enrolled when he filled in his census paper. Unfortunately, some census collectors, because they were not definitely told, or sufficiently instructed, declined to collect the "claim" papers. In other cases the electors were told that as their names were already on the rolls they need not make new claims, with the result that the rolls, instead of being up-to-date, were extremely bad. At the last election there were complaints from every district about names having been left off in a wholesale manner. I can assure the Minister that if he takes the present rolls as a basis it will be extremely injudicious and unsatisfactory, but if the census returns are taken as a basis, the rolls will probably be much more accurate than are the present ones.

Mr. O'MALLEY (Tasmania).—I do not see any item on these Estimates for cutting up Tasmania into electoral districts. I wish to know what the Minister means by not providing a sum for that purpose? It is of no use to talk about compiling the rolls according to the old methods. What we want is the method I adopted for putting citizens on the roll in Tasmania—to visit every man, and to see that his name was on the roll. That can be done by the police. If the Minister will give me a satisfactory answer to my question I shall not interfere with this amount, because I think it is little enough?

Mr. BAMFORD (Herbert).—I wish to ask the Minister a question in reference to the item of £1,500 to cover the expenses in connexion with choosing the site of the federal capital?

The CHAIRMAN.—The honorable member cannot discuss that item unless the motion is withdrawn.

Amendment, by leave, withdrawn.

Mr. BAMFORD.—I wish to know if the Railway Commissioners of New South Wales charged the Commonwealth for the conveyance of honorable members during the visit of inspection?

Sir WILLIAM LYNE.—A claim was made by the Railway Commissioners, but it has not been paid. I have had a communication on the subject sent to the State Premier. I believe that the claim was made by the Railway Commissioners in the ordinary business way, and that the

Premier will not have it enforced. I have done all I can to bring about that result, and I think it will be achieved.

Mr. O'MALLEY.—How about the money for cutting up Tasmania into federal districts?

Sir WILLIAM LYNE.—The total amount which is now spent in preparing rolls in Australia, excluding Western Australia and Tasmania, is £42,597. I have had a keen investigation of this expenditure made. I have not the figures for Tasmania or Western Australia, but we believe that we can do the work for all the States for £35,000.

Mr. O'MALLEY.—Does that mean that Tasmania will be cut up into federal districts?

Sir WILLIAM LYNE.—According to the terms of the Electoral Act, and the officers consider that £35,000 will be sufficient to do that for Tasmania and Western Australia as well as the other States.

Sir LANGDON BONYTHON (South Australia).—If the Minister will give me his assurance that he will look into the condition of the rolls in South Australia, and where necessary make corrections and additions, I shall be prepared to vote the amount he asks for, provided that he also promises that if a smaller sum will do all that is necessary, the whole amount will not be spent.

Sir WILLIAM LYNE.—I omitted just now to reply to the remarks of the honorable member for South Australia, Mr. Batchelor. I can well understand that in discarding the old rolls, and compiling new ones, many anomalies have crept in, and the names of many persons have been left off. I have given instructions that the greatest economy is to be practised, and that the State rolls and census returns are to be compared, and that, as far as is possible, the latter are to form the basis of the new rolls.

Sir LANGDON BONYTHON.—Is the department going to do all that for £700?

Sir WILLIAM LYNE.—No. Part of the £35,000 which is set down in the Estimates will be appropriated in remunerating the services of State officials whose knowledge of local conditions will be of use in making the rolls as complete as possible. I hope that they will be more complete than they are now.

Sir LANGDON BONYTHON.—They are not complete now.

Sir WILLIAM LYNE.—So far as possible, the police will be used to obtain names. I have always held that they are the best agents for work of this kind.

Sir JOHN QUICK.—Will they be paid for it?

Sir WILLIAM LYNE.—I shall have no objection to paying them if the States desire that they shall be paid.

Mr. WILKINSON (Moreton).—Does the Minister intend to appoint an electoral registrar for each electoral division, or will the work of compiling the rolls be performed by one State officer?

Sir WILLIAM LYNE.—Certainly not.

Mr. WILKINSON.—Then what remuneration will be given to the electoral registrars?

Sir WILLIAM LYNE.—It is intended to use State officers so far as possible, and it is anticipated that we shall have to pay them from £50 to £60 each.

Vote agreed to.

DEPARTMENT OF THE TREASURY.

Division 24 (*The Treasury*)—£6,333.

Sir LANGDON BONYTHON (South Australia).—I suggest that the committee might pass these Estimates without much comment, because if there is one member of the Ministry in whom we have absolute confidence in the matter of economy, it is the Treasurer.

Mr. MAHON (Coolgardie).—I wish to know how much longer the *Drayton Grange* inquiry is to last. That is where the money goes—in the conduct of Royal commissions. An expenditure would be more justifiable on a Royal Commission to inquire into the pearl-shelling industry, but there does not seem much prospect of that. I suggest that the Treasurer should intimate to the members of the *Drayton Grange* Commission that he expects to receive a report from them some time before Christmas twelve months.

Sir GEORGE TURNER.—We have a very economical man as President of that Commission.

Mr. MAHON.—I might also suggest to the Treasurer to keep a tight rein upon the expenditure of the departments upon advertising. For instance, whole pages of the Melbourne newspapers have been devoted to the annual advertisement of postal contracts.

Sir GEORGE TURNER.—Not since the honorable member last mentioned the

matter. All that is done now is to refer intending tenderers to the *Gazette* advertisements.

Mr. MAHON.—If that is so, the Treasurer has anticipated what I had to say. I consider that it is sufficient to publish advertisements of the kind to which I refer in the *Government Gazette*, and to put short notices in the daily newspapers, directing attention to them. In that way thousands of pounds can be saved every year, and I am glad to hear that it is to be done.

Sir JOHN QUICK (Bendigo).—I notice that provision is being made in this division for the payment of certain State officers who are doing work for the Commonwealth, and I wish, therefore, to know if the State Governments pay the Commonwealth for the services of our officers. At the present time the Victorian Government utilizes the services of postmasters and postmistresses in the employment of the Commonwealth for work such as the payment of old-age pensions, and if they charge us for the services rendered by their officers it is only fair that we should send in a corresponding bill to them.

Mr. HENRY WILLIS (Robertson).—I wish to know from the Treasurer how the £500 set down for "Gratuities to officers engaged in excess of office hours" is to be allotted. I assume that the money is to be paid, not to men who do manual work in the printing-office, but to the heads of departments.

Mr. TUDOR (Yarra).—I should like to add to what the honorable and learned member for Bendigo has said that a number of officers in the Postal department are required to do extra work in connexion with the Savings banks of the States. If the States are charging the Commonwealth for work done for us by their officials, I think that we should put in a counter claim for work done for them by our officials. The Commonwealth is not being generously criticised by men in high official positions in the States, and I think that we should treat them as they treat us.

Mr. MAHON (Coolgardie).—The matter to which the honorable member for Yarra and the honorable and learned member for Bendigo referred is one to which I drew the attention of the Government many months ago. I pointed out then that the work in connexion with the Savings banks in many of the States is being performed by Commonwealth officers. In Western Australia

Commonwealth officers are also occasionally engaged in the collection of duties imposed by the special State Tariff. I do not consider the charge made by the States for the services of their officers an unfair one, but I think that a corresponding charge should be made by the Commonwealth for the work done for the States by Commonwealth officers. In many instances Commonwealth officers have to work overtime in the performance of their State duties, without extra remuneration. I brought the matter under the notice of the Minister representing the Postmaster-General many months ago, and received from him a conditional promise that something would be paid to these officers, but nothing has been done. At Coolgardie several of the postal officials, owing to the Savings bank business which they have to transact for the State, are kept at work on Saturdays almost continuously from nine a.m. until half-past nine p.m., and two of them work ten hours a week more than the other members of the staff, chiefly in attending to Savings bank transactions. I think it is right that Commonwealth officers should do this work, but we should insist that they shall be paid for the extra hours which it occupies.

Sir GEORGE TURNER.—In regard to the question asked by the honorable member for Robertson, the Commonwealth has its own printers, bookbinders, and other officials whom we pay direct, but we also utilize the services of State officials for whom we pay the State. On many occasions, however, these officers have had to work overtime, and I therefore thought it fair that a reasonable sum should be distributed amongst them to remunerate them for the extra work. Five hundred pounds has been provided to do this, and the Government Printer of Victoria makes recommendations to me in regard to its allotment. The sum provided is a small one, and the work is being done very cheaply. The appropriation of £1,385 for allowances to State officers, acting as officers of the Commonwealth sub-treasuries, to which reference has been made, can hardly be called a charge made by the States against the Commonwealth. To have established a sub-treasury in each State would have meant the appointment of three or four highly-paid Commonwealth officials, because of the responsibility of the work, and I therefore made arrangements for obtaining the services in each

State of the Under-Treasurer and two other principal officers. In recognition of their services, I make an annual payment of £225 to each State, of which £100 is intended for one officer, £75 for another, and £50 for another. The States strongly objected to the Commonwealth paying their officials directly, but in some cases the money is given to those who do the work, while in others it goes into the consolidated revenue fund. Under this arrangement we get our Treasury work well and efficiently done by men in the services of the State Treasuries, who know what moneys are being received and disbursed, and are in a position to give valuable information to their State Treasurers. We are thus kept in touch with the States, friction is prevented, and our work is done for one-fifth or one-sixth of what it would cost if we had to appoint Commonwealth officers to do it. In regard to the performance of other services, I think that, as a general principle, the States should pay the Commonwealth for the services performed for them by Commonwealth officers, while the Commonwealth should pay the States for services performed for it by States officials. This work would be done mostly in connexion with the Post-office department, and my colleague the Postmaster-General has been for some time past negotiating with the different States with a view to laying down some basis of payment. He has sent the papers to me, but I have not yet had an opportunity of examining them. After the House has prorogued I shall discuss them with my colleagues, and I hope that we shall be able to come to an arrangement under which the States will agree to pay a reasonable amount for services rendered by Commonwealth officers.

Sir MALCOLM McEACHARN (Melbourne).—I do not think this vote should be allowed to pass before we take an opportunity of complimenting the Treasurer upon the excellent way in which he has presented the items relating to his department, and upon the economy which he has displayed throughout. If all the departments were similarly administered, we should have very little difficulty in disposing of the Estimates.

Mr. MAHON (Coolgardie).—Whilst we all desire to compliment the Treasurer upon the way in which his Estimates have been brought forward, we should have reason to compliment him still more if he had given

officers from the more distant States a chance to fill positions in the Treasury and Audit offices.

Sir GEORGE TURNER.—I have selected officers from all the States.

Mr. MAHON.—I hardly think so. I know that several highly-qualified officers in Western Australia were anxious to send in their applications for positions on the Treasury staff, but they found that the time available would not permit of their doing so. At the time the appointments were made I pointed out that sufficient notice had not been given to permit of applications being received from the distant States.

Sir GEORGE TURNER.—Yes; and on the next occasion I allowed ample time, and I also gave consideration to all the applications received from Western Australia. One officer in my own office comes from that State.

Mr. MAHON.—I have not heard of any one having been appointed, and if the statement of the Minister is correct, the officer to whom he refers should be produced as a *rara avis*. I feel sure that now that the Treasurer's attention has been called to this matter, he will give every opportunity to officers in the more distant States to apply for any position which may become vacant in the future.

Vote agreed to.

Division 25 (*Audit Office*)—£12,767, agreed to.

Division 26 (*Government Printer*)—£13,416.

Mr TUDOR (Yarra).—I should like to know whether the allowance of £150 to the Victorian Government Printer is to be given yearly, so long as we have the main portion of our printing carried out at that office?

Sir GEORGE TURNER.—Yes.

Mr. TUDOR.—I understood that the allowance was made last year because of the exceptionally heavy work entailed; the original Estimates made no provision for any allowance.

Sir GEORGE TURNER.—I could not make any provision in the first instance, because I did not know the amount of work which the Victorian Government Printer would be called upon to perform for us, or what would be a reasonable sum to give him. We intend to provide this sum annually until we appoint our own Government Printer. Mr. Brain superintends the whole of our work in the office.

Mr. TUDOR.—Is it intended that the gratuity to the officers, amounting to £500, shall also be continued?

Sir GEORGE TURNER.—Yes.

Mr. CROUCH (Corio).—I should like to know whether the allowance is made to the Government Printer in consideration of overtime work?

Sir GEORGE TURNER.—Yes; Mr. Brain has to do all that is required by the State Government, and also to perform an immense amount of work in connexion with the supervision of the Commonwealth printing.

Mr. CROUCH.—If the £150 is paid to Mr. Brain for the attention given by him to the Commonwealth work during the time which would otherwise be devoted to his State duties, it should be given to the State Government.

Sir GEORGE TURNER.—The State Government raise no objection to its being paid to Mr. Brain.

Mr. CROUCH.—The State Government raise no objection, possibly because they have not to find the money. Unless the allowance is paid because Mr. Brain has to work overtime in order to supervise the work of the Commonwealth, it should be paid to the Government.

Mr. McCAY.—Does the Government Printer not use his brains for our benefit?

Mr. CROUCH.—Yes; but the State is entitled to the use of those brains in consideration of the salary paid by them.

Sir GEORGE TURNER.—The Victorian Government Printer does an immense amount of work for us, and has to attend at his office for very long hours.

Mr. MAHON (Coolgardie).—I see that £500 is provided for the purchase of type. Will that type be the property of the Commonwealth or of the State?

Sir GEORGE TURNER.—It will be our property. Everything we buy is kept separate from the State property, so that we may take it with us when we leave.

Mr. MAHON.—Some time ago, the Treasurer appeared doubtful whether my figures with reference to the cost of printing *Hansard* were correct. The Treasurer has assured us that the printing for the Commonwealth is being done at cost price.

Sir GEORGE TURNER.—All the *Hansard* printing is being done by our own men, and anything that the State does for us is charged at its absolute cost.

Mr. MAHON.—I am speaking now of the work done for us by the Victorian Government Printing-office, and I cannot reconcile the statement of the Treasurer with the figures given in the return furnished to me on 10th October last. I have roughly measured up the pages of *Hansard*, and I find that the actual cost of type-setting at the rates paid by the Commonwealth should not greatly exceed 5s. per page. The cost of setting up the first twenty numbers of *Hansard*, which comprise 5,348 pages, was £3,113 17s. 3d. That would bring the actual cost of type-setting to nearly 11s. 8d. per page instead of 5s. per page. The cost of proof-reading and revision was £298 19s. 11d., and of correcting proofs £1,309 17s. Therefore, I am quite unable to reconcile the assurance given by the Treasurer that the work is being done at cost price with the actual charge made to us.

Sir GEORGE TURNER.—That work is being done by our own men, and we use the machinery of the Government Printing-office and pay nothing for it. We merely pay the wages and the cost of the material.

Mr. MAHON.—If the cost of type-setting is only 1s. 3d. per 1,000 ens, why should 5,348 pages cost £3,113 17s. 3d., which works out at 11s. 8d. per page.

Sir GEORGE TURNER.—My honorable friend must recollect that the men complained bitterly that they were not paid enough.

Mr. MAHON.—Yes, I know that; and I think they earn all they get, considering the nature of the copy upon which they have to work; although the rate of pay is a little in excess of that paid by the Victorian Government for similar work.

Sir GEORGE TURNER.—If the honorable member submits a statement to me I will send it to the Government Printer, and forward his explanation to the honorable member.

Mr. MAHON.—I am quite satisfied with that assurance.

Vote agreed to.

Division 27 (*Miscellaneous*)—£28; Division 28 (*Unforeseen and Accidental Expenditure*)—£1,000; Division 29 (*Refunds of revenue*)—£50,000; Division 30 (*Advance to Treasurer*)—£200,000, agreed to.

DEPARTMENT OF TRADE AND CUSTOMS.

Division 31 (*Minister's Office*)—£4,502.

Mr. REID (East Sydney).—I wish to avail myself of this opportunity to make

some observations and complaints with reference to the administration of the Customs department. Perhaps more intense dissatisfaction has been expressed regarding the working of this department, than in connexion with any other branch of the Commonwealth administration. Some persons regard those who are engaged in trade and commerce as scarcely entitled to the ordinary treatment which is meted out to other members of the community, and certainly the administration of the Customs seems to be based on this idea. Leaving out of consideration any fiscal question, we should remember that the trading community of Australia are really placed in the position of having to pay in advance the taxation imposed on the people. The State decrees that the traders of the community shall raise something like £9,000,000 per annum, and that they shall pay this money in advance in hard cash. It is then left to them to recover the money in the ordinary operations of business. This aspect of the matter is very often overlooked. It is the person who deals in goods who has to act as the gatherer of the State taxation to that enormous amount, and he has to begin by paying it before he gets it from the public. Therefore, if any class of the community renders unpaid service to the State, it is that which acts as an intermediary of exchange in trade and commerce. I desire to eliminate from this discussion a great deal of irrelevant reply. I wish to guard the position which I take up by frankly declaring that I heartily approve of every severity of the law being meted out to persons who attempt to evade the Customs Act. In any reply which the Minister may make to my remarks I ask him to remember that I am entirely with him in adopting the most severe measures for the purpose of stamping out fraud. I have no sympathy with persons who import rotten tea or any other adulterated article.

Sir MALCOLM McEACHARN.—That is in cases in which it is rotten.

Mr. REID.—Exactly. I wish to get rid of all irrelevant replies which do not hit the pith of my complaint. When I complain of the administration of the Customs department, I wish to eliminate from the Minister's reply any sort of oratorical declamation regarding the iniquity of fraud against the authorities, or concerning the wickedness of importing rotten

tea or other adulterated goods. I do not complain of the adoption of the most severe measures in matters of that kind. I say this because I do not wish my attitude to be misunderstood, or for any shaft of the Minister's reply to be aimed at a target that I do not erect. One of the most obvious methods of cloaking a fault is to confuse the issue at stake by assuming that certain attacks have been made—to choose a most convenient form of reply—replying to an attack which has not been made, and assuming that to be a sufficient answer to the real attack. So far as the Customs administration has been fearless in its endeavours to stamp out fraud, or that which appears to be fraud—because it is impossible for any department to be infallible—I heartily applaud any firmness or inflexibility of purpose which has been exhibited either by the Minister or by his officers. Indeed, there is only one matter which I desire to bring under the notice of the committee. I wish really to make an appeal to the Minister rather than to indulge in any political attack, my object being to endeavour to make things assume a more business-like complexion in connexion with this great department. I am quite sure that every wise maxim of Customs administration heartily supports the honest trader as against the swindling trader. The former should be so treated as to induce him to become a sort of ally of the administration as against the latter. We are well aware that in all Customs-houses if there are openings for fraud, fraud will prevail. It is particularly inevitable where the department has to administer a comprehensive system of *ad valorem* duties, and a more or less complex Tariff. To prevent fraud against the Customs under such circumstances is sometimes most difficult. The task is a thankless and difficult one, and in its fearless performance the Minister controlling the department should have the whole community behind him.

Mr. KINGSTON.—It is no pleasure.

Mr. REID.—It is no pleasure. I frankly admit that the position of the Minister is a most difficult one, and I wish him to understand that I have no desire whatever to make capital out of any unpleasantness which may have arisen between the department which he administers and the mercantile community. I have a practical object in view, and one which concerns itself less

with the past than with the future, because the Minister will admit that in the attainment of the supreme object which he must always have before him—that of suppressing or preventing fraud upon the revenue—he cannot have too many friends. My strong objection to the administration of the department, which, I admit, is a particularly difficult task owing to the nature of the Act—for which, of course, the Minister is specially responsible—is that it has, in my opinion, unnecessarily thrown the whole body of honest traders into the category in which we desire to place only fraudulent persons—into the pillory of the police court. That is not business. In the operations of a great department which has to deal with a great business community, and where the latter has to provide millions of pounds sterling in advance, it appears to me that the most cordial relations should exist between the honest traders and the Customs department. By thus making the path of the honest trader easy, and that of the fraudulent trader thorny, we should get an administration which would meet with public satisfaction. But mainly owing to the structure of the Customs Act a different state of affairs has arisen, which has given ground for unavoidable complaints. These complaints have spread to all parts of the Empire in which trading operations are carried on. I have often spoken of what I regard as the harshness with which the Customs Act is drawn. As head of the Customs department in Sydney, I have had some experience of a much simpler and lighter Tariff, and I quite recognise that under any Tariff there are openings for fraud. But I think that the principle which I laid down in connexion with the administration of the New South Wales Tariff becomes more important, the more complex any Tariff is, and the more difficult the task of the Customs authorities is thereby rendered. That principle is that we cannot treat the honest traders too kindly if only as a means of invoking their assistance against those who make the Custom-house an engine of fraud and deception. I wish these people to be treated only as well as I would treat the humblest person in the community—no better. It is essentially foreign to the genius of British administration for any department of public business in dealing with any class of His Majesty's subjects to make innocent mistakes the

Mr. Reid.

ground of police court prosecution through the web and text of principles in applying the force of law to the different cases of His Majesty's subjects, we have maintained the great, sound, and simple principle that we should never allow the administration of our statute to be the work of an honest man and the swindle of a dishonest man in the police court. It may be said that there is an essential difference between the prosecution for fraud and a mistake. Yet even the principle of the information adopted in the case of a prosecution for a mistake is a mistake. It conveys an impression of a false entry." To illustrate the feeling which has sprung up since that only to-day I received a newspaper containing a long prosecution which took place at the Customs Act, in which the indictment was set out. The magistrate took the bit between the teeth and discharged the defendant on the question of the goods supplied. The question was a perfectly true one, technically, perhaps, it was within the meaning of the Tariff Act. I do not intend to discuss any particular case, but I allude to the prosecution because I wish to say that, in the case which I received to-day, the matter was fully set out. If any hon. member of this House were engaged in a prosecution, necessarily to employ a large number of ordinates—as many of our goods houses do—and if through a small mistake his firm were perhaps, fined, for "making a mistake in describing certain goods, and putting such an information to the outside world? In the case of a number of prosecutions which have taken place in Victoria, we must also remember that many years past a heavy trade has operated in this State. It is warranted in supposing that the head of the Customs department in Victoria is an efficient officer. It would scarcely be the Commissioner of the Commonwealth Customs to-day. Why then, I ask, is it in this city which has established a reputation with the Customs authorities for an honest course of dealing exten-

years, which possesses absolutely an unsullied reputation, be brought before the police court upon a charge of being connected with something that is false simply because one of its clerks has made a mistake? Under such circumstances the imputation which goes round the world—which, of course, does not understand the complexity of our Customs Tariff—is that the firm has been prosecuted for having made a false entry. That is a suggestion of fraud, of something dishonorable and wrong.

Mr. MACDONALD-PATERSON.—It suggests intentional wrong.

Mr. REID.—Precisely. The honorable and learned member for Brisbane has put the matter in a nutshell. Of course, the Minister for Trade and Customs may fairly urge that in Customs administration mistakes sometimes have the same effect as fraud. That is so. I admit freely that an error may cause us to lose just as much revenue as would a deliberate fraud. I quite agree with the Minister in taking up that very sensible position. But in administering the Customs department, and in dealing with an absolutely new Tariff, I hold that, at any rate for the first mistake, reputable firms ought not to be dragged before the police court. I wish to reason this matter out with the Minister in the most friendly way, because I appreciate the difficulty of the office which he fills. Irrespective of how well he performs his duties, he is bound to become unpopular in some directions. At the same time, if he would give ear to what I have to say, I believe the result would be of direct advantage to himself, not in the sense of mere ease, but in the sense that he would administer a great department under better conditions than those which prevail at the present time. No Minister who has to deal with a large class of people can wish to be upon unfriendly terms with them—can wish to make what ought to be a matter of more or less friendly relation a matter of wrangling, dissatisfaction, and bad blood. I am sure that the Minister for Trade and Customs has no appetite for that sort of thing. A Minister may soon bring about that undesirable state of affairs if he wishes to do so; but I assume and believe that the right honorable gentleman at the head of this department has the most upright and patriotic intentions in his administration. Appealing to him in that spirit, I wish to see a very strict line of separation drawn between

the inevitable swindle and the inevitable mistake. Mistakes in the beginning of a new Tariff are absolutely certain to happen, as fraud is absolutely certain to be attempted; but if the whole business community are put into the police court, whether they be guilty of fraud or innocent error, then the business men of Australia are exposed to persecution, which is a disgrace, and foreign to the methods of administration in the British Empire. It is a new way of governing His Majesty's subjects. If the department finds that a particular firm has a knack of constantly making mistakes in its own favour, I should not blame the Minister if he said—"Well, I find that this firm, after the lessons it has received, continues to make alleged clerical errors, and I must show it that just as the department cannot allow fraudulent conduct, so such 'errors' cannot be allowed." For a firm which makes mistakes often I have no desire to stand here as an apologist. My position is a much simpler one. If the Minister were a business man in a large way, employing clerks, I should defy him to conduct that business under a new Tariff of this character without making mistakes. And since it is impossible for firms to be infallible, why should every firm be put into the police court? Why should every firm be treated as if it were a guilty offender against the Customs law? I cannot speak with certainty, except as to Australia, but, from my general knowledge, I fancy that in the old country, and throughout the Empire, persons who make mistakes of an honest description in the conduct of a large business are not prosecuted by the Customs authorities so far as to be charged in the police court. The mere announcement that one great firm or a hundred firms have been fined for making false entries, is an advertisement that goes right throughout the commercial communities of the world that this firm or firms indulge in fraud. How should any of us, if we were in business, like to have our names advertised under such circumstances as connected with firms said to have committed frauds on the Customs? We should consider it an intolerable piece of tyranny on the part of the department to treat respectable, honest firms in such a fashion. I do not want to labour this question. If I spoke for a hundred years I could not put the matter more simply than when I say that an honest firm, with a good reputation

built up during a long course of years, should not, for the first or second mistake, be dragged into the police court, and branded with a charge of making false entries. I believe that the Customs Act is so drawn as to make such prosecutions absolutely compulsory.

Mr. KINGSTON.—No.

Mr. REID. — I am glad to hear that; but if the Act is not compulsory, the charge I am making becomes all the more direct against the Minister. In either case the effect is the same, because the Act was drawn under the personal supervision of the Minister, who, during its passage through committee, showed a close knowledge of its provisions. I understand, however, that the Minister is not under any compulsion to take these proceedings. In order to elucidate the position, I want to ask the Minister whether, in any case or cases of a mere mistake in a Customs entry, he has not prosecuted a firm?

Mr. KINGSTON.—The questions which are put by the Customs authority are "Are you telling us the true nature of the goods?" and, "Are you telling us their true value?"

Mr. REID.—But supposing the Minister is dealing with the case of a firm of high standing, which has been doing business for, say, twenty years with the Customs authorities, and he has no reason to suppose that there was intention to defraud?

Mr. KINGSTON.—That the mistake is not wilful?

Mr. REID. — Yes; that the incorrect entry was not made with any intention to make money.

Mr. KINGSTON.—Then I certainly would not charge such a firm with fraud.

Mr. REID.—That I understand. My complaint is that although there may be no intention to defraud, firms are summoned to the police court. If there be fraud, I am at one with the Minister; my voice will never, in the House, be heard shielding a fraudulent act. The sympathy of the public must go with the Minister in every case of fraud, however eminent the firm involved may be. But suppose a firm, with a good reputation, passes an entry which does not correctly state the nature of the goods, and, therefore, makes the value less than it would be if the description were correct, is it necessary, in the absence of any suspicion of fraud, to invoke the aid of the police court?

Mr. KINGSTON.—There is no intention to do so.

Mr. REID.—Is there any criminal ligation?

Mr. KINGSTON.—There is no criminal ligation.

Mr. REID.—That being the case, the Minister what is the policy? He decides not to send such a firm to the police court?

Mr. KINGSTON.—I do not think I could punish at all unless there was a criminal court.

Mr. REID.—I do not wish to punish, but rather to dissipate, any suspicion against the Minister. May I take it that the Minister, which there has been only one case, are not sent to the police court?

Mr. KINGSTON.—If I find any carelessness, I send a firm to the police court.

Mr. REID. — Every man makes some extent, seem to imply. Even lawyers in construing the law sometimes make mistakes and have to go as far as the law in order to be corrected.

Mr. REID.—The Privy Council may be wrong in the business of the class to which they interpret Acts of Parliament. They make mistakes how much more a business man make a mistake in the provision of this most complicated tariff, as the Customs Tariff.

Sir MALCOLM McEACHERN.—Many mistakes have the Customs authorities made?

Mr. REID.—And yet

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make a thousand mistakes.

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public department. If the Minister, because of a first mistake—which may be that of a clerk—has ever sent to the police court an honest firm such as I have described, it is a most odious and wrong administration. If the Minister himself, or any one of us, was treated in that way in our own business, we could not escape the police court; the whole community, in their respective occupations, would be entered on the rolls of police jurisdiction.

Sir JOHN QUICK.—Would the Minister approve of a prosecution for a mistake which was caused through negligence?

Mr. KINGSTON.—I have said that if there is carelessness I prosecute.

Mr. REID.—There is a great distinction between the personal mistake of the head of a firm and the mistake of an employé, especially when the firm is of such magnitude that no reasonable man could expect the employer to pass his own entries. We must have some regard to the incidence of business.

Mr. CROUCH.—Would the right honorable member have the employé personally charged?

Mr. REID.—No. On the first occasion I would not prosecute. If all first mistakes in business were so seriously regarded, the whole social system would be simply a contrivance for putting people into the police court. If such administration prevailed generally, and applied to us all, whether we were lawyers, farmers, selectors, or squatters, who might be called upon to make returns under a Sheep Act, this House would ring with indignation.

Mr. McCAY.—Is not the right honorable member now, to a certain extent, begging the question?

Sir JOHN QUICK.—An innocent mistake is different from a negligent mistake.

Mr. REID.—It does not seem very easy to get the ordinary intelligence of the honorable and learned member for Bendigo. I want the honorable and learned member to first conceive of an enormous business—that, I understand, is not a crime in itself—and to ask him whether he considers the head of such a business ought to pass every customs entry?

Sir JOHN QUICK.—No.

Mr. SALMON.—The head of such a firm should employ competent men.

Mr. REID.—I am assuming that an employer does his best. I only want to know

the company I am keeping. Am I to conclude that honorable members cannot conceive of an honest mistake being made by a firm in a large way of business? Are we members of the Federal Parliament so perfect that we never make mistakes? How would the honorable member for Laanecoorie like to be brought before the police court simply because he had made a mistake in a return under the Medical Act?

Mr. SALMON.—I am not talking about that.

Mr. REID.—But I am.

Mr. SALMON.—The honorable and learned member was talking about the head of a firm being responsible for the acts of his employés.

Mr. REID.—I cannot put my honorable friend the member for Laanecoorie in that position, because he is not in a large way of business. I shall put the case of a solicitor, because solicitors sometimes employ 20 or 30 clerks. But a doctor has no clerks; he has to do his own work.

Mr. SALMON.—That shows that the right honorable member was on the wrong track in that illustration.

Mr. REID.—I perceived that as I proceeded with the illustration. First of all there was the initial difficulty that I do not think my honorable friend could ever admit that he could make a mistake.

Mr. SALMON.—I was not impertinent to the right honorable member.

Mr. REID.—Is that an impertinence? Are we so thin-skinned?

Mr. SALMON.—I shall not interrupt again; I shall give my own experience later on.

Mr. REID.—I did not mean any impertinence. Such terms need not be used.

Mr. SALMON.—I stand on as good a footing as does the right honorable member.

Mr. REID.—A much better footing, no doubt. The honorable member's manner in this House shows that. But none of us need be so ill-conditioned as to turn the mere casual exchanges of political discussion into a cause of offence. I hope that one who is occasionally Acting Chairman will preserve a proper demeanour and will not interrupt me again. No doubt he is a most superior person. It is absurd to get into a condition of thin-skinned soreness over matters of political discussion. Now I will get away from the honorable member and his profession. I would rather deal with more robust specimens of humanity. I want to get honorable members to perceive, if possible, the position which I wish

to put before the committee; because I do not want to have a red herring drawn across the trail after the care which I have taken to define my position. My position is this: That, whether a man has a large business or a small business—I will put the case more broadly than I did previously—whether he makes his entries personally, with the greatest attempt at care, or whether he employs to do that work some person whom he believes to be competent, and who is specially trained for it, in connexion with a new Tariff like this mistakes are inevitable. Honest mistakes are inevitable. The Customs officers, trained persons as they are, have made mistakes by the thousand in administering this very Act. We have only to look at the Customs decisions emanating from the head of the department to see how they have erred in discharging their duties, and in interpreting the Act.

Sir MALCOLM MCEACHARN.—And they held goods for months, pending a decision from the Minister.

Mr. KINGSTON.—That shows care, at any rate.

Mr. REID.—That's it! In fact, it is a policeman-like way of managing a great department; which the people of this country are not accustomed to. We have not got accustomed to that method of managing a great business department. I say let the department employ as many policemen as they like in a case of fraud, or a case hinting at fraud or deceit, or anything of that sort. We are all behind the department, and will back it up to the last degree in any such case. We do not care if the Custom-house keeps the goods of such persons for years. I have no sympathy with them in any shape or form. But, since mistakes are inevitable, when a firm has a good record, and is not conspicuous for making mistakes, it ought not to be dragged to the police court. I admit, as I said before, that if a firm makes mistakes day after day—say that it makes four or five mistakes—and then the Minister begins to inquire, he may very well say—"Well, these may only be mistakes, but they have the effect of fraud, and I will teach these people to be careful by sending them to the police court." But where a mistake is made by a firm that has a good character, and has been known for 30 years to the Comptroller-General of Customs, I cannot

understand the action of it in charging it with fraud and taking it into a police court. It is treated in that way in matters where we are concerned, we should be taken to the police court before it is an odious task for the importer to find the money for the Customs and get it from the taxpayer.

It must be that we are not taxing the means of our Tariff. The way it acts for the Custom-house. The way we employ resembles the Eastern despots. An Eastern despot says to his Grand Vizier—"I want £9,000,000 a year." The Grand Vizier says, "I cannot find it for you very well," says the despot, "I will not get that £9,000,000 for you of the year off goes your head to get the £9,000,000." We are a free community into that. The Commonwealth wants £9,000,000 of consumers of goods.

Mr. CROUCH.—No; not consumers, from the foreigners.

Mr. REID.—The honorable member should recollect that the goods imported are really our own Australian industries. You will—suppose that it is who pays the duty.

Mr. MAUGER.—Do not get into a debate.

Mr. REID.—I like to put to the interjections of my learned friend, because he has really novel matters before him. I say, that the importer acting as Custom-house agent pay the money into the Customs, all the consumers of Australia get it back. Therefore, they are a class to be treated, I think, so long as they act straightforwardly. The effect of prosecutions has been to create an anti-federal feeling right across. Surely apart from any consideration, it cannot be true that there have been sent to the police court of mistakes that were fraudulent, at the beginning of a new Tariff. Yet I have been such cases. It is almost impossible for the Minister to tell me that there have been made following cases.

the other by certain firms, I should have nothing to say against the action he has taken, because the department must punish carelessness. But my point is that the Minister should not go the length of punishing a mere mistake by prosecution. There is a taint in a prosecution. I contend that you ought not to put a taint on an honest man on account of a mistake which he makes. If he makes a series of mistakes the Minister might take action, but the first mistake of an honest man should never land him in the police court, especially in connexion with the administration of a new Tariff. As I understand the Minister, it is optional with him to institute these prosecutions or not. I was under the impression that it would be necessary to have an alteration of the Customs Act in order to get rid of this intolerable state of things. But I now learn that it does not appear from the Customs Act that it is necessary to have these police court prosecutions. Well, then, it is purely a matter of administration. The Minister need not put these people in the police court. In my attack—which is not intended to be a personal one—I represent really a very strong feeling in the community, not only in the place where I come from, but in all parts of Australia. I want to accomplish a practical purpose and to implore the Minister in the most earnest and friendly way to abandon the course which he has pursued in the past, and not send any reputable firm which has made a mistake to the police court until there is sufficient evidence to show that there is negligence in the management of its business. No reasonable man would say that one mistake in a large business proves such negligence that the firm should be branded with a police court prosecution. If my right honorable friend took up that position, the common sense of the House as well as of the community, would be dead against him. Because who would escape whipping under such administration? I am rather curious to hear what my right honorable friend himself has to say, because I would rather hear from himself the true inwardness of the matter, and place no reliance upon newspaper statements. I ask him whether there is any reason for the prosecution of reputable firms by reason of series of mistakes made by such firms, or whether on account of what I call first mistakes, firms should be treated in a way

which I say is an abominable hardship that should not be permitted in this country?

Sir JOHN QUICK (Bendigo).—There can be no doubt, as stated by the leader of the Opposition, that considerable complaints have been made both in Victoria and in other States on account of Customs prosecutions. Those who have suffered from them have made complaints, and there has been a general uproar in certain quarters. Now, the question is whether the Minister has been unwarranted in authorizing those prosecutions for which he assumes responsibility. He occupies a position analogous to that of a grand jury. He has to decide whether, in any particular instance, a *prima facie* case exists to send on for trial. He does not try cases himself, but merely looks at the evidence and considers, in a semi-judicial manner, whether the evidence warrants the case being sent on for trial. I invite honorable members to remember that the Customs Act which this Parliament has passed deals with two classes of offences. One is that of wilfully making a false statement, or false declaration, and the other is that of making a declaration, which in form and substance is false, without the element of wilfulness. That is provided for in section 234. The section provides for prosecutions in cases where statements and declarations are made that are merely proved to be false. The next section provides for prosecutions in cases where wilfully false statements are made. The Federal Legislature has drawn that distinction, which no doubt is a wise and just one. The penalty in the one case may be imprisonment with hard labour, and the offence is indictable; whilst in the other case the offence is of a summary character, which may be dealt with by the justices, and a fine imposed. In dealing with this new class of legislation, the Minister has no doubt been called upon to decide in many cases, firstly, whether false statements have been made, and secondly, whether those false statements have been wilfully made.

Mr. REID.—I have not a word to say in regard to prosecutions in respect of false statements which are wilfully made.

Sir JOHN QUICK.—The right honorable member must remember that there is another section which provides for false statements pure and simple—statements which are not true in fact or in substance. I agree with him that if a statement is

made which is founded merely upon an error of judgment, the Minister ought not to institute a prosecution, and I venture to say that in such a case he would not do so.

Mr. KINGSTON. — Hear, hear! Not in regard to a matter of opinion upon which two men could honestly differ.

Sir JOHN QUICK. — Quite so. I venture to say that in no case has a prosecution been ordered by the Minister, because of a mistake founded upon an error of judgment.

Mr. REID. — There was a prosecution in a case in which a man passed an entry in the form advised by the Customs officials.

Mr. KINGSTON. — That is always the plea; and for that reason I put Customs decisions in writing.

Sir MALCOLM MCEACHARN. — What about the man who imported eighteen penny worth of oil?

Mr. KINGSTON. — He undoubtedly broke the law.

Sir JOHN QUICK. — I would remind the committee that two Ministers sitting as a grand jury, and dealing with the same set of facts, might arrive at different conclusions. The Minister for Trade and Customs might arrive at one conclusion, and the leader of the Opposition sitting as a Minister might arrive at another. Surely any one occupying the position of a grand jury ought not to be attacked by the leader of the Opposition for saying that there is a *prima facie* case for trial, merely because he may have arrived at a decision which another man might not have arrived at. I have heard a great deal of this outcry against the Minister, but I have arrived at the conclusion that there is no foundation for it. At all events there is no justification for the immense amount of political capital which has been attempted to be made out of it. I do not think that the Minister has in any case instituted a prosecution merely for the sake of harassing any merchant. If I thought so I should be the first to denounce his conduct.

Mr. JOSEPH COOK. — That is not the point. The point is that the Minister will not stop others from harassing merchants.

Sir JOHN QUICK. — It is the point. The Minister is charged with harassing merchants. He admits that he is responsible for the setting of the law in motion, and I assert that no case can be pointed out as warranting the charge that he

has been improperly harassing merchants. Another honorable member occupying the same position might have arrived at a different conclusion, but it is no ground for a charge against the present Minister for Trade and Customs, that he, in the exercise of his undoubted statutory right, has decided to set the law in motion. If he had not done so, he might have been charged with neglect of duty.

Mr. JOSEPH COOK. — The charge is that he makes no discrimination.

Sir JOHN QUICK. — The statute law discriminates only between statements which are false and statements which are wilfully false. I apprehend that the Minister has never ignored that distinction. I agree that the Minister ought to be careful, and not institute a prosecution where there has been merely an error of judgment.

Mr. JOSEPH COOK. — That is what he is doing.

Sir JOHN QUICK. — Nonsense. I do not think he would intentionally do such a thing. I believe that he has instituted prosecutions only in cases in which he thought the mistakes had been made owing to negligence, perhaps in the employment of inefficient officers.

Mr. KINGSTON. — On the cheap.

Sir JOHN QUICK. — Surely in dealing with such vast interests as these it is the duty of the Minister to require a very high standard of commercial morality and exactitude? Commercial exactitude is necessary because mistakes very often result in an advantage to the man who makes them which is not enjoyed by others who do not commit them. The policy of the law is to prevent anything like negligence resulting in mistakes which may tend to the profit of the man who makes them. That is the very root of this principle. Where a mistake is made from negligence or carelessness or want of proper exactitude on the part of the merchants, I apprehend that the Minister will set the law in motion; but if the mistake is merely an error of judgment, such as an error in regard to the class of the Tariff to which an article may belong, or whether it is dutiable or not, I apprehend he would not institute a prosecution.

Mr. JOSEPH COOK. — Prosecutions have been issued in such cases.

Sir JOHN QUICK. — If any such case could be pointed out I should not defend the Minister, but I believe that he has

followed a very safe principle. There are only one or two cases in which there has been a failure; the Minister has maintained his average of success in the great bulk of the prosecutions which have been instituted?

Mr. JOSEPH COOK.—Does the honorable and learned member call a prosecution a success when only a nominal fine is imposed?

Sir JOHN QUICK.—I apprehend that the Minister, in arriving at a decision as to whether he should prosecute in most cases, will be guided, not only by the evidence submitted to him, but by legal advice, or the advice of his officers. I do not believe he would institute a prosecution in the teeth of the opinions of the officers surrounding him. He would have a right to do so; but I apprehend that he consults his officers and, as it were, checks his own opinions and judgments by their advice.

Mr. REID.—It is a remarkable thing that the officers in Victoria never did these things prior to federation. Did the honorable and learned member hear what Senator Best had to say in regard to the way in which he dealt with these matters when he was State Minister for Trade and Customs?

Sir JOHN QUICK.—Under the old system, the State Minister for Trade and Customs had authority to deal with these cases *in camera*—in a secret tribunal. That is not a wise system, and I am sure the leader of the Opposition would not vindicate it. It is far better to have these prosecutions in the full light of day.

Mr. REID.—Could they not be conducted in the open light of day without a man being taken into the police court? We should not like it ourselves.

Sir JOHN QUICK.—The law does not provide for that. It provides for a judicial decision by judicial officers. There is no doubt that, although in particular individual cases there has been irritation, and people have been annoyed and disappointed and worried at being prosecuted, the results of those prosecutions have been to direct the search-light of public opinion and knowledge upon the new law. That has resulted in a great deal of good. The atmosphere has been cleared, and I believe the result will be that very few prosecutions will be necessary in future. I hope that the Minister, as far as he possibly can, will not institute a prosecution in respect of merely an innocent mistake, but will always consider

whether there is associated with the offence some element of neglect resulting in personal advantage or loss to the federal revenue.

Mr. GLYNN (South Australia). — I should like the Minister to give the committee an explanation with regard to an important provision in the Customs Act. I think it is an exceedingly harsh provision, and I do not know that the House quite appreciated what was being done when it was allowed to stand. I allude to section 229, paragraph (a), read in conjunction with section 262. Section 229 provides that among the goods which shall be forfeited to His Majesty are goods—

in respect of which any entry, invoice, declaration, answer, statement, or representation which is false, or wilfully misleading in any particular, has been delivered, made, or produced.

That provision is quite satisfactory so far as it affects wilfully misleading statements, but if a conviction followed a prosecution in regard to statements which are merely false, and, therefore, come under section 234, to which the honorable and learned member for Bendigo referred, the goods in question would also be forfeited. The Act provides that they shall be forfeited, although the conviction may have been for a simple mistake. I do not know how the Minister is administering the Act, but it seems to me that if there is no explicit discrimination given to him, the spirit of the Act is that a discrimination should be exercised as to the forfeiture of goods. I have been professionally engaged in one or two Customs prosecutions, and I do not wish to bring forward any particular instance. But if, for example, two invoices were sent out in respect of any goods, and owing to one being delivered before the other, a mistake were made by a clearance on the first—or owing to the fact that two parcels were included in one case—the information would be laid under section 234. The statement would be one which was untrue in a certain particular, although the mistake was not wilfully made; it would be delivered to a Customs officer, and a conviction would follow on proving the mistake. Then section 262 provides that—

Where the committal of any offence causes a forfeiture of any goods, the conviction of any person for such offence shall have effect as a condemnation of the goods in respect of which the offence is committed.

The result is that an innocent declaration which contains a mistake of fact, but not

one wilfully made, may be the subject of an information, and if a conviction follows, the goods involved are forfeited by Act of Parliament. I am sure the House never intended that anything of the kind should be done, but that I think is the effect of section 234.

Sir JOHN QUICK.—No doubt.

Mr. GLYNN.—I am sure that the honorable and learned member would not support a rigid administration of the Act to the extent of saying that forfeiture of goods should take place where a simple mistake had been made. In some cases this may have the effect of making men more careful, although they cannot do impossibilities.

Sir JOHN QUICK.—Are confiscations enforced?

Mr. GLYNN.—I desire to hear what the Minister has to say on the subject. I know that goods have been detained, and I do not know whether any have been released up to the present time. I am bringing this matter forward merely for the purpose of obtaining information. The point has only recently occurred to me. It seems to me that where an ordinary mistake has been made a conviction for that mistake results in the forfeiture of the goods involved. That is not what happened under the States law. In some cases the magistrates had a discretion as to forfeiture. In other cases it was necessary to summons the holder of the goods for the purpose of condemnation, and if the circumstances justified it they were forfeited. An opportunity was given to the court to decide whether the facts justified forfeiture of the goods as well as the imposition of the ordinary penalty. I am sure that when the Minister looks into the matter he will prevent such a harsh procedure as the forfeiture of perhaps £500 or £600 worth of goods in cases in which only the minimum penalty is imposed by the bench.

Sir JOHN QUICK.—There must be a conviction.

Mr. GLYNN.—Yes; but the position is that the magistrates may consider a case one in which they should not do more than impose the minimum penalty. The case might be one in which a simple mistake—perhaps the first mistake on the part of defendant—had been made, but the magistrates would have no discretion. They are bound by their oath and by the law to convict if the evidence shows that a mistake has been made. They have not the smallest

discretion as to releasing goods from forfeiture.

Sir JOHN QUICK.—The Executive can do so.

Mr. GLYNN.—I think it is possible that the Executive can do it, but I hope to have some explanation from the Minister on the point, because it does not seem to me that the power is expressly vested in the Minister by the Act. I am sure there was no desire on the part of honorable members to allow the section to pass in such a form that forfeiture of goods must follow in such cases. As a matter of fact, I think the word “wilfully” in an earlier section was inserted by mistake, or at all events that it was inserted in the wrong place. Section 229 refers to “representation which is false or wilfully misleading.” I think that the draftsman must have intended to put the word “wilfully” before the word “false.” There are other sections which deal with wilfully misleading and wilfully untrue statements. This section may involve the forfeiture of goods, and I say that the expression used should have been “representation which is wilfully false or misleading.” That has not been provided for, and the result is that if an information is laid in respect of a false statement made by mistake, goods may be forfeited under a subsequent section.

Mr. KINGSTON.—Holding, as I do, the idea that we have the power to waive the forfeiture, that would make very little difference.

Mr. GLYNN.—I should like to know what is the practice of the department upon this point, because up to the present that has not been explained.

Mr. E. SOLOMON (Fremantle).—I should like to know if anything has been done in the matter of the complaints which have been made from time to time with regard to the overwork of men engaged on the wharfs in Fremantle. Three new sheds have lately been erected there, and one officer may be told off to look after two of these sheds at night time. I should like to know whether the Minister thinks it is in the interests of the revenue to ask one officer to attend to two sheds at night time. I believe the matter has already been brought under the honorable gentleman's notice, but if he has not made inquiries I would ask him to ascertain whether the complaints made are justified

Mr. KINGSTON.—I shall be very happy to do so.

Mr. E. SOLOMON.—It often happens that two or three vessels enter the port at the same time, and their cargoes may be discharged during the night. The result of having the service undermanned must be a loss of revenue. If overtime is worked, it should be paid for by the masters of vessels, and I should like to know if the Minister has made inquiries as to whether overtime has been paid for according to the regulation?

Sir MALCOLM McEACHARN (Melbourne).—I dealt with this matter of Customs prosecutions very fully some six weeks ago, and I have no desire now to enter upon its discussion in the same spirit, though my feelings in connexion with the treatment of merchants and my attitude towards the Minister are exactly the same as they were then. I rise merely to refer to the sections of the Act to which reference has been made. They are certainly of a very arbitrary nature, and give the Minister supreme power. Before the Bill was discussed by this House, the Minister kindly sent a copy of it and of the regulations to the Melbourne Chamber of Commerce, and I was one of a deputation from the Chamber who waited upon the Comptroller-General, Dr. Wollaston, and went through various matters with him. He afterwards submitted our representations to the Minister, and many alterations were made. When at the time we pointed out the hardships that would fall upon ship-owners and merchants if the Act was literally administered, we were assured that many of the clauses to which we took exception were to be found in existing Acts, and had never been harshly enforced in the past, and that there was no intention whatever that anything but a fair spirit should be adopted in dealing with merchants and ship-owners. As a consequence, those who were vitally interested in certain clauses of the Bill refrained from fighting them, as they might otherwise have done. In his protest the leader of the Opposition has put the matter to the Minister in an extremely fair way. His speech was not an attack upon the Minister, but a request that in cases where fraud is not alleged and where there is palpably only an unintentional error by which no revenue may be lost, the Minister should be more lenient than he has been in the past, notwithstanding what

there may be in the Customs Act. The honorable and learned member for Bendigo stated that he was sure the Minister had in no case prosecuted when he felt that only an unintentional error had been committed. The right honorable gentleman has stated here that he did not intend to decide whether cases should go to the court or not. I know that in connexion with some cases in other States, he has left the matter to the Crown Solicitor. I credit him with going into these cases very fully, but I know that he has himself communicated with the head of the Customs in another State, desiring him to act upon the opinion of the Crown Solicitor. I have, in a letter, asked the right honorable gentleman to alter that practice. In cases where it is palpable that no fraud is intended, the Minister should use his judgment, and not send honest and respectable merchants to the police court. As regards these Estimates, I have looked them through, and I give the Minister credit for having kept them as low as possible. Whilst I have a very strong feeling regarding the action of the right honorable gentleman in treating firms as he has done for simple errors, I wish to act fairly towards him, and so far as his Estimates are concerned, they shall have my support.

Mr. MACDONALD-PATERSON (Brisbane).—It would be a lack of duty on my part if I allowed the discussion which has taken place during the last half-hour to be concluded without making a few observations on the general question of the administration of the Customs department since the initiation of the Commonwealth and the introduction of the Tariff. I have no wish to promote the feeling of discontent and acerbity that has permeated the whole of the Australian cities in which Custom-houses exist. On the contrary, I have endeavoured to assuage the feeling in the city I have the honour to represent, and other representatives of Queensland have done the same. I regret very much that private representations made from time to time have not had the effect I expected, and which I think those representations deserved on their merits. I recognise the value of the speech made by the leader of the Opposition, and I compliment the right honorable gentleman upon having dealt with the subject with a suavity, diplomacy, and experience, that will, I trust, bring about a better spirit in the administration of the Customs department throughout Australia.

The right honorable gentleman in his speech has mentioned several of the arguments which I know have been put before the Minister. I was very glad to hear him say determinedly that he would not prosecute where the matter was one on which there might honestly be a difference of opinion. Customs officers assume a virtue which they have not, and never possibly could have. I have always regarded with disapproval the adoption of legal remedies for the evils alleged, instead of a resort to the common-sense business avenues, by which a settlement of these questions might be arrived at. Even this afternoon two or three technical matters came up which had my disapproval. I was very glad to hear the leader of the Opposition say that he did not approve of resorting to the court for the punishment of simple mistakes which were jumped at as positive attempts to defraud the revenue—as if some of the best firms in the Commonwealth would in such a way besmirch their reputation, not only in Australia, but in the manufacturing and monetary centres of the old world. Some of the paltriest mistakes made by clerks have been made the grounds of prosecutions. I am not blaming the right honorable gentleman at the head of the Customs department for that, but I blame the system by which he is advised, and the officers in the different centres who are, doubtless, in constant communication with him. I am sorry to say that several of them have not had the pluck to telegraph to the head of the department that the persons involved had hitherto been considered honest and reputable men in the great business communities of Australia. As a young man engaged in other business relating to commerce and shipping, I was often amused at the mistakes and errors of judgment made by Customs officers in Brisbane and elsewhere. I desire to say, in the most respectful way, that in their “Jack-in-office” position, with a fixed salary of about £600 per year and a free house, sub-collectors of Customs have looked upon themselves, as it is alleged the Minister has looked upon himself, as “little Gods Almighty” in the community. A revolution took place in one day when there was a change from the separate administration of the Customs for a population of 1,000,000 in Victoria, of 1,125,000 in New South Wales, 500,000 in Queensland, and proportionately less in the other States, to the joint administration of Customs for 4,000,000

Mr. Macdonald-Paterson.

of people under a new and complex Tariff containing thousands of items that were never heard of before. Hundreds of new interpretations have been given, the Customs officials have been governed by an inflexible cast-iron rule, and have been required to keep their eyes open, so that every scintilla of error may be discovered and punished. They have been prevented from acting in accordance with their previous experience, and, as a consequence, the administration of the department has for the last six or twelve months proved a curse to the mercantile community. It would be impossible to get any one man, or any 50 men, who would be capable of determining exactly the nature of many of the articles which are imported, or of judging correctly of the quality of the texture of many others. In the old country there are experts in cotton, who know all about it and its price from the time it is landed in the bale until it is cleaned, warped, wefted, loomed, dyed, and turned into the finished article: while others know exactly the value of such delicate material as muslin, and would be able to say whether a certain line of goods should be invoiced at 6d. or 4½d. a yard. But our officials do not possess this expert knowledge; and, under the present administration, they are also wanting in pluck. It is not a wholesome thing that the general belief of Australia should be that they hold their office by the skin of their teeth unless they are able to catch defaulters. Instead of rising to the occasion, and exercising kindness of speech and diplomacy of manner, the department has failed in its duty to the Commonwealth. I have heard it said that there are times when even Ministerial departments should have a blind eye.

Mr. WATSON.—There has been too much of the blind eye about the Customs administration of the past.

Mr. MACDONALD-PATERSON.—One of the greatest philosophers has said that one must sometimes be blind, even in his own household. It is in that sense that I use the expression. I have not acted after consultation with the honorable member for Oxley, but I am sure that my remarks will be thoroughly concurred in by him, and he and I together represent the greater business portion of southern Queensland. I have no fault to find with the Minister individually, but if a less technical interpretation had been placed upon the Tariff, and there

had been more flexibility in the administration of the department, it would have been better for all concerned. The leader of the Opposition interpreted my views in this respect to a nicety, and I am sure that he has voiced the opinions of the mercantile community from the humblest storekeeper to the largest merchant. I trust that the discord, irritation, and unhappiness which the administration of the Customs has created will now cease, and that peace and contentment may reign throughout the Commonwealth.

Mr. SALMON (Laanecoorie).—I have listened to what has been said this afternoon, and have read all that I could of the actions of the Minister since the Customs departments of the States were transferred to the Commonwealth. Undoubtedly there has been, and still is, a certain amount of friction between those who do business with the department, and those who administer it, but I feel that that is owing rather to the lax manner in which the department was administered in some of the States anterior to federation than to undue severity or to tyrannical procedure on the part of the Minister. The leader of the Opposition asked if it was fair that the head of a large importing house should be held responsible for the action of his subordinates. I interjected that he should. Honorable members who were present know what then followed. I do not wish to allude further to the matter, except to say that if a merchant cannot obtain accuracy in the work of those whom he employs, he should avail himself of the services of others who will not make mistakes.

Sir MALCOLM McEACHARN.—It is impossible to avoid mistakes. The officers of the Customs department sometimes make mistakes.

Mr. SALMON.—I do not say that a clerk's position should be imperilled for the smallest error, but, speaking generally, if a merchant finds that his clerk cannot perform the duties allotted to him without making mistakes, he should employ some one else. My experience as a Minister was not a long one, but it was long enough to enable me to know how often merchants employ incompetent clerks. In many cases important duties are being performed by mere youths, who do not realize the serious nature of their work.

Sir MALCOLM McEACHARN.—I was a Custom-house clerk in London when I was seventeen.

Mr. SALMON.—And no doubt a very competent one.

Sir MALCOLM McEACHARN.—At any rate I never made mistakes. I began my business career at the age of fourteen.

Mr. SALMON.—In my opinion, sufficient care is often not exercised in the selection of those who are called upon to undertake the responsible duty of passing entries, and doing other Customs work. Numbers of young men find themselves detailed for these duties after an extremely small amount of instruction from those who employ them. In the wretched private investigations which used to be held in Victoria, I have had lads before me who were prepared to accept almost any penalty rather than have their employer punished, because they feared to lose their situations; and it was repeatedly pointed out to me that the mistakes which had been made were due to inexperience and want of knowledge.

Mr. KINGSTON.—That excuse was made within the last week.

Mr. SALMON.—I am glad that the Minister has not adopted this system of private investigation. There is no more tyrannical exercise of authority than these secret settlements. The Minister is to be honoured for the stand which he has taken against the strong representations which I am sure have been made to him for the perpetuation of this star-chamber system. I ask honorable members if they think it consistent with the principles of freedom and justice that a Minister should come to secret determinations and settlements in this way. In Victoria a gentleman who is now a member of the Senate was Commissioner of Customs for over five years, and only the other day he told us what his experience was.

Sir MALCOLM McEACHARN.—He always published his decisions.

Mr. SALMON.—I do not think that the decisions were always published. The system which was followed, under my direction was far more open—although not so open as I should have liked—than the previous one, and all the decisions were not published. I know that instructions were given that they should be published, but it was not done, owing to influence which was brought to bear upon those who were responsible. The action of the Minister will press hardly upon some persons who do not altogether deserve it. The punishment of being

dragged into a police court, and having fines recorded, will be a hardship in some instances. But for the sake of the honest trader, and the man who spares no expense to secure efficiency, I am bound to support the Minister in his attitude. We cannot too strongly inveigh against the system of secret settlements. In France it is the custom for a prisoner to be brought up and interrogated. Is that the sort of system to be adopted in the Commonwealth? In Victoria the Minister was urged by his officers to accomplish secret settlements. Why? Because of the great difficulty there was in securing a conviction. The Act was so impotent, inefficient, and unsatisfactory, that the officers were compelled to urge upon the Minister, in order to secure that there should be some punishment, the adoption of the pernicious practice of considering questions *in camera*. We have an Act that gives to the Minister and his officers all the power which is necessary to punish those who from neglect or wilfulness infringe its provisions. I earnestly hope that we shall never revert to the old system of leaving it to the Minister to say what punishment shall be meted out to violators of the law. If we once enable the Minister to sit as a court and remit, or refuse to inflict penalties, we shall do an act not consonant with that freedom, liberty, and justice which we hope to make the principal bulwark of our grand Constitution. We have not had cited a single case to bear out the very unfair and unpatriotic statements which have been made regarding the action of the Minister. We have been told to-day that his action was tyrannical and abominable, and, of course, that no personal reference was intended by those remarks. In my opinion, his action has been that of a high-minded administrator of a most important department, and in that position he is a bright and shining example to those who take upon themselves Ministerial responsibility.

Mr. L. E. GROOM (Darling Downs).—In various States, especially Queensland, the Minister has been seriously attacked in connexion with his administration of the department. But I am glad to see that the condemnation is by no means universal. A much better feeling is beginning to grow up amongst many of his critics in that State, and it is very well reflected in an article in the Brisbane

Telegraph, in which it is pointed out that he is having fixed upon him the responsibility for all the friction which is the natural result of securing uniformity of administration in the Commonwealth. In the various States there has been a difference in the definition of goods and in the administration. The officers have had different ways of working the department, and upon the Minister is now thrown the onus of securing absolute uniformity of administration, and definition for the whole Commonwealth. The honorable member for Melbourne has given a very good illustration of the difficulty. The Melbourne merchants found fault with the definition of tea, and the Minister pointed out that it was the one which had been adopted in Queensland. When you try to get uniformity of definition you are bound to irritate persons in different States who have been working under another definition, and will not willingly relinquish old methods and practices. I regret that the Minister has had to bear all this odium. There have also been lax methods of administration in the States. The Minister has been charged with the protection of the interests of the taxpayers. He has been asked by the House to collect honestly all the money which the taxpayers are entitled to have deposited in the Treasury. He has also had to bear the trouble of those very provisions which were inserted in the Constitution for the purpose of protecting the smaller States—I allude to the trouble arising under the Inter-State certificates. He is practically carrying out the very provisions which uniformity of legislation renders essential. He has had to bear all the odium of this administration. As regards the reflections upon his action, I think that all persons will agree that it is his duty to collect the revenue, to take proceedings in the courts where it is justified, and to insist that importers shall employ fit and proper persons to do their business. In Queensland there has been some trouble. I am not going to say that there have not been some grounds for complaint, but I do not think that those grounds, when investigated, have justified any of the charges which have been made against the Minister. In that State the charges have been that he has assumed a dictatorial attitude, an unsympathetic attitude, and a tyrannical attitude. I think that all these charges are without foundation. Whenever

I have had to put matters before the Minister, he has, on the whole, listened attentively and given fair and impartial decisions. So far as I can see, he has simply taken up the position that he is bound to administer the law impartially and fairly, and, on the whole, I think I can say that he is doing it mercifully. It is assumed that there are no merchants who uphold the position he has taken up. As regards Brisbane, there appeared in the *Courier* some time ago an article setting out the views of certain merchants upon the methods of administration of the department. That newspaper sent out a representative with the view of ascertaining both sides of the question—the views of those who complained of the methods of administration, and the views of those who seemed to think that those methods had been fair. It is only right that I should quote the views of a few of the merchants who have looked at the question from a different point of view. For instance, the representative of Messrs. D. and W. Murray said—

They had no complaint to make against the administration of the department, and they were inclined to think that some strictness in enforcing the Tariff was desirable.

Another firm took up this position—

They had had no difficulties with the department, and whenever any question of interpretation arose, they referred it to Melbourne, and got it settled without serious delay or inconvenience. They were disposed to favour a more systematic and complete supervision of the goods imported into the State with the object of preventing the evasion of duties.

Mr. Bowcher, the representative of Messrs. W. and A. Macarthur, said he was in accord with them—

He suggested it would be a wise thing if it were recognised that a fixed percentage of the cases were examined by way of check. From sources the information went to show that much of the trouble now experienced or complained of is due to laxity of administration when the Custom-house was under State control.

So that the merchants in Brisbane were really complaining of the laxity of the administration under State control, and praising the Federal Government for adopting firmer methods of administration. The writer of the article goes on to say—

The determination of the Minister to strictly enforce the Tariff, and to prosecute all who inadvertently or unintentionally appear in the position of evaders has brought things up with a round turn, and rendered necessary an amount of care and accuracy which previously was not insisted upon. The opinion of the merchants who did not attack the administration was that after

a while the mercantile community will become reconciled to the new era, and will not find it unduly burdensome. One change which will probably be found necessary will be the substitution of careful and experienced Customs clerks for the boys and youths frequently employed to pass entries.

So that there the defence which has been made in the House has been amply verified. Here are Brisbane merchants who say that it was really the fault of the youths and the boysemployed on customs work which was responsible for part of the trouble in that city. Another point is raised by the writer of this article in these terms—

A phase of the question which also seems to require investigation, is the practice which is alleged to have grown up in regard to the invoicing of goods. Our representative was informed in one quarter that it is not altogether uncommon for two invoices to be sent to the purchasers of consignments of goods, one showing the actual cost to the buyer and the other, as it is phrased, "the value for Customs purposes."

It is further stated in this article—

Another practice is said to be to invoice goods to a number, rather than in the name of the real consignees. How far either of these is carried on it would be difficult to ascertain; but instances have been known of goods being offered for sale at a much lower rate than they could be sold at if the legitimate duty had been paid upon them. Importers who deal honestly with the Customs naturally find it hard to compete with the rivals who are able to undersell them in that way. This is one of the allegations which can only be proved by the more strict comparison of the goods imported with the description and values given of them in the invoices.

I have quoted this statement to show that, although serious complaints have been made by Brisbane merchants, there are a good many traders in that city who are of opinion that the Minister is doing good and patriotic work in enforcing the provisions of the Customs Act. Some complaints seem to have a certain show of reason, but when these are examined it will be found that they are due to causes which are inevitable. For instance, it is complained that continual references have to be made to the central authorities in Melbourne. In view of the fact, however, that the decisions given in these cases form the basis of a uniform practice which has to extend throughout the Commonwealth, it will be seen that it is necessary to refer complicated questions to headquarters. I hope, however, that the Minister will see his way to expedite the publication of his Tariff guide, so that he may put into the hands of his officers at distant centres the means of avoiding the present trouble.

It would also be reasonable, now that the Tariff has come fairly into operation, to permit the officers in the various outlying centres, to assist importers to pass their goods through the Customs. Where difficulties occur in the interpretation of the Tariff in connexion with the importation of new classes of goods, I think it is the duty of the Customs authorities to assist merchants who are really anxious to comply with the conditions of the Tariff. It is stated that the importers of general merchandise do not experience very much difficulty under the Tariff, but that it is amongst the importers of drapery and soft goods that the most fault is found with the administration. If the Minister can see his way to instruct his officers to assist merchants in cases such as I have referred to, he will render a great service to the mercantile community. It has been made to appear that the Minister is entirely without friends in his administration of the Tariff; but I would point out that the *Launceston Daily Telegraph* takes a very sympathetic view of the Minister's position. In an article published on 11th September, the following statement occurs:—

The completion of the first Australian Tariff has been appropriately taken as an occasion for some complimentary speeches in the Federal Parliament, where members of all shades of political opinion have joined in an acknowledgment of the great work done by Mr. Kingston in framing and conducting the passage of the most difficult piece of legislation of the session, and in the administration of the most troublesome department of the Commonwealth Government.

Honorable members must agree that the Minister has done a great work in getting the Tariff through. When the Tariff was passed there seemed to be a disposition on the part of a good many members to disown it, but I venture to predict that before very long a large number of those who have expressed dissatisfaction will regard the Tariff as a magnificent achievement, and claim the credit of having assisted to frame it.

Mr. SYDNEY SMITH.—I do not think they will, although it is very different from the Tariff which was originally introduced.

Mr. L. E. GROOM.—I think they will.

Mr. SYDNEY SMITH.—Every one is dissatisfied with it now.

Mr. L. E. GROOM.—The article from which I have been quoting continues as follows:—

The row of the first Minister of Trade and Customs, whatever his political colour may be, could not be anything but a hard one to hoe, and no one

with less experience, energy, and industry, could have succeeded as well as Mr. Kingston has done in the performance of his titanic task. By-and-by, when things have settled down under the new federal conditions, the benefit of his work in the Legislature, and his sturdy administration of the fiscal laws on strictly impartial lines, will be felt throughout the Commonwealth.

That is a Tasmanian opinion, and the Queensland view is very much the same. In an article published in the *Brisbane Daily Telegraph* after a meeting recently held there, the action of the Minister for Trade and Customs was spoken of in complimentary terms. The writer went on to say—

To be perfectly blunt, the Minister, doubtless, has had ample cause in the interests of all Australia to insist on a rigid observance of every rule and regulation for preventing fraud, otherwise the Federal Treasury might have been fleeced right and left by designing and unprincipled traders, as, in the past, State treasuries certainly suffered.

I have read these statements merely to show that the condemnation of the action of the Minister has not been so universal as some honorable members would have us suppose.

Mr. SYDNEY SMITH.—I could read a large number of statements in the opposite direction.

Mr. L. E. GROOM.—I admit that; but surely, in view of the charges made against the Minister by the leader of the Opposition, I am perfectly justified in showing that there is another side to the question.

Mr. O'MALLEY (Tasmania).—No abuse has ever yet been abolished by those who profited by it, and reforms must be brought about through the efforts of those who have to suffer. In this case the Minister for Trade and Customs is the martyr.

Mr. CONROY (Werriwa).—When the Customs Act was under consideration in this Chamber I pointed out that many of its provisions were so stringent that possibly they would earn for the Minister for Trade and Customs the title of "a manufacturer of criminals." I regret to say that the manner in which the right honorable gentleman has administered the Act has caused that title to be bestowed upon him. There is not the slightest doubt that many men who ought not to have been brought before the courts have been haled there and punished for perfectly innocent acts. We are not here to shield men who are really guilty, and the Minister for Trade and Customs is only doing his duty in prosecuting such persons.

The objection has, however, been taken that the Minister has not assumed any responsibility. He has not distinguished between what are innocent mistakes and wilful attempts to evade the law, and, as a consequence, many men have been summoned before the courts in cases in which the exercise of a little common sense would have obviated any such proceedings. That is the reason why so many complaints have been made against the Minister. Every mistake, whether wilfully or innocently made, has been treated in exactly the same way, and there has been every justification for the complaints made by merchants. If the Minister had been placed in the same position as the members of the outside public who do business with the Customs, and had been treated in the same way as he has dealt with merchants generally, he would have been the subject of innumerable prosecutions. Every mistake made by him as to whether certain goods were or were not dutiable would have resulted in his appearance at the police court. Once he was taken there it would have been useless for him to say that the mistake was the result of inadvertence, because under the provisions of the Customs Act he would have been convicted and fined. In over 300 different instances he has varied his decision, and therefore, applying to himself the same rule as he has applied to others, he should have been brought before the police court and convicted of 300 separate offences. I have no hesitation in saying that the number of wrong decisions given by the Minister has been even greater than I have stated. For instance, the Minister for a time did not consider that oilmen's stores were dutiable, and in every case in which he gave a decision in this direction he should have been brought before the police court and fined £5. He considers that that is just treatment when merchants make mistakes. Surely the Minister can take a little authority upon himself, and distinguish between innocent mistakes and attempts to evade the law.

Mr. MACDONALD-PATERSON.—Is it not too late?

Mr. CONROY.—No; it is not. I asked the Minister when the Customs Act was under discussion whether he would adopt that course, and he assured me that he would, but, unfortunately, he has not been

able to summon up the necessary will or courage to do right, lest some one might turn round and say that he was conniving at evasions of the law. I would not have blamed the Minister for sending all these cases on to the courts if it had been competent for the magistrates to abstain from inflicting a fine in cases where they were satisfied that the mistakes were innocently made. That power, however, was never given to them, and, therefore, the Minister, by acting indiscriminately, has inflicted a double injury upon the community. The right honorable gentleman will not exercise any judgment himself. He cannot be blamed for this if he has no judgment to exercise, but why does he not seek the assistance of one of the officers connected with his department? Why should he fear to do a thing if he believes it to be right? I should be prepared to back up the Minister, so long as he did right, but, unfortunately, we know that in nineteen cases out of twenty he would probably do wrong. It is ridiculous to talk of justice in cases where the Minister refrains from exercising proper discretion, and sends cases on to the courts, irrespective of the nature of the mistakes made. Once the case comes before the court a conviction must follow, and under these circumstances the Minister should recognise that a double responsibility is cast upon him. I need only refer honorable members to the numerous cases which have occurred in Adelaide, Brisbane, Sydney, Melbourne, and Perth.

Mr. FOWLER.—No; there have been no prosecutions at Perth.

Mr. CONROY.—I cannot say that I remember having seen any case reported from Perth, but in Sydney, Melbourne, and Adelaide there have been instances in which the magistrates have distinctly asserted that if it were not for the provisions of the Act, which compelled them to impose a fine, they would have dismissed the cases. In these instances they were convinced that there was no intention to evade the law. In other cases, of course, deliberate attempts have been made to defraud the revenue, and the offenders have been very properly punished. Surely, however, the Minister must admit that it was wrong to prosecute merchants for mistakes which the magistrates declare to have been innocently made? It appears that whilst the Custom-house officials may make mistakes without suffering any penalty, the merchants who are

guilty of error are to be prosecuted and convicted. This is what honorable members on both sides of the Chamber wished to avoid, and that is why we wanted the Minister to show a little courage and take upon himself a certain amount of authority. Where prosecutions take place and the magistrates deliberately declare that no action should have been taken, the officers concerned in the prosecution should be brought up and dealt with by the Minister. Surely if one class of the community is to be fined for making mistakes, the officials in the Customs department should be similarly dealt with. I was extremely sorry to hear that the honorable and learned member for Brisbane suggest that possibly some of the Customs officials were seeking to curry favour with the Minister by securing convictions.

Mr. MACDONALD-PATERSON. — I never made use of any such expression.

Mr. CONROY. — The honorable and learned member said that many officials appeared to be anxious to institute prosecutions. The only inference which can possibly be drawn from that statement is that their action was prompted by a desire to bring themselves under the notice of the Minister. I trust that that is not so. My own opinion is that many of the complaints against Customs administration arise from a reluctance on the part of the Minister to assume certain responsibilities. The result to the trading community has been a very mischievous one. I hold that it was a mistake to embody in the Customs Act such stringent provisions as are there contained. I did not so strongly object to those provisions at the time that measure was under consideration, because the Minister declared that they were necessary to prevent fraud. I did strongly object to the refusal to allow the courts to decide according to the evidence. The position which I take up is that we ought not to invoke the aid of a court of justice and then muzzle justice, which is precisely what the Minister has done. It is to the interest of the great bulk of the traders in the community that there shall be no evasion of Customs duties, because if any such evasion takes place, they are compelled to compete with their dishonest rivals. Moreover, the importers do not ultimately pay the Customs taxation. Of course they pay it in the first instance, but subsequently it is

returned to them with interest added. I trust that the result of this discussion will be to induce the Minister to exercise the powers with which he is vested in cases where there has been no attempt to evade taxation. I am thoroughly satisfied that if the right honorable gentleman would assume a larger measure of responsibility in administering his department, he would not hear many of the objections which have emanated from this side of the House, and the murmurings of the mercantile community would cease.

Mr. KINGSTON (South Australia—Minister for Trade and Customs). — If I did not hear complaints of the character of those which have been made by honorable members opposite, no doubt the occupants of the Treasury benches would be the subjects of adverse criticism of another sort. I am only too glad to know that those complaints are not founded upon fact. I have no fault to find with the general tone of the debate. I thank those honorable members who have testified to the difficulties which have beset me, and who have expressed a good opinion of the mode in which I have attempted to discharge an onerous and somewhat unpleasant task. That the difficulties have been great I frankly acknowledge, but that I have shirked their discharge no one can truthfully declare. In my own conscience, I know that I have done what I could to faithfully perform my duties, and I am satisfied that parliamentary and public opinion support my action. It has been put that I am an enemy of the importer, and would like to do him an injury. All that is idle talk, and honorable members know it. As they are well aware in accepting my present position, I recognised what were my duties, and I have not spared myself in my endeavour to fulfil them. One of those duties is to cultivate the best relations possible with the importers and the mercantile community. My duty is to the community as a whole, and to the majority of the mercantile community who are honest and careful. It is also my duty to enforce the law against those who are either dishonest or negligent where such dishonesty or negligence is to the injury of the community. As regards the revenue, I would point out that to-day we are deriving from moderate duties of Customs an amount which I venture to consider is considerably in excess of all expectations. There are many elements which conduce to

that condition of affairs. One of those elements undoubtedly is that the law is now being more strictly enforced than it was formerly. Dishonest traders are being called upon to pay their dues to the exoneration of the people generally from further taxation and to the maintenance in the public departments of those whose services we could not retain if we did not continue to collect our dues as we ought. Let honorable members compare the collections of revenue to-day with those which obtained under the old State Tariffs. What do I recollect as regards Queensland — that grand State which has before it as brilliant a future as any in the Union? The Government had hardly assumed office when complaints were made of a leakage in the Queensland Customs revenue. Accordingly we placed ourselves in communication with commercial men. As the result of our inquiries, we found that considerable leakages were taking place. We, therefore, decided to send an officer to the northern State to inquire into the matter. The result was a more stringent enforcement of the Customs laws in Queensland, and the punishment of those who did wrong, without any detriment to those who did well. It is difficult indeed to estimate how much we lose by lax Customs administration. Let honorable members look at the figures before them. Even in Queensland, we got an amount of £120 from one man for "conscience" money. What must have been the character of its administration there when that steal was executed by one individual? Dishonest persons were under the impression that after the establishment of the Federation they would be able to continue their corrupt practices with immunity from punishment. To-day no such sense of immunity exists. It has been properly abolished, and I look to the House to sustain an administration which insists upon the law being observed, and will not sit silent while the public are defrauded. Ninety per cent. of our traders are, I believe, honest. But there are dishonest traders. Not only has the revenue been robbed, but the mercantile community have been robbed. How can business men be expected to successfully carry on operations against dishonest competitors? Of course, an importer may make an error which is unavoidable. Let that fact be established before a court, and the Executive can then deal with it.

Mr. CONROY.—It cannot.

Mr. KINGSTON.—The Executive can do as it chooses in regard to the cancellation of any fine. It is idle for importers to plead—"We made a mistake." It is their duty to avoid mistakes. When they have established the fact that an error has been innocently made, it is time enough to apply the remedy. But negligence I hold is no excuse, particularly when it is exercised to the advantage of the person who is guilty of it, and to the disadvantage not only of the revenue but of his competitors in business. Time and again I have been assured by particular individuals that formerly they were subjected to dishonest and careless competition from which they they are now free. I do not require importers to be infallible, but I do ask them to be accurate upon two matters of importance. The department says to them—"Tell us the nature of the goods contained in that box which you are importing. You know all about them. If you have any doubt as to its contents open the box, and ascertain exactly what the goods consist of. Tell us their value. When you have done that you will have nothing to fear." No prosecution has been undertaken consequent upon an error of judgment as to whether goods ought to be classed under one particular line of the Tariff or under another. All such proceedings have been founded on facts, which were well within the knowledge of the importer. Not a single case to the contrary has been cited. I came down to the House armed with full particulars relating to the last dozen prosecutions which have taken place in Victoria. I could tell the committee the class and character of each of them. In some cases I might refer to aggravating circumstances. As regards prosecutions in other places the same remark is equally applicable.

Mr. JOSEPH COOK.—What about the last nine or ten prosecutions in Sydney?

Mr. KINGSTON.—I had intended not to refer to them, but when I am challenged—as I am now—I will deal with the last eight or nine.

Sir JOHN QUICK.—Have they been heard and decided?

Mr. KINGSTON.—Yes. Eight of the defendants pleaded guilty, but one, imagining that he had a complete defence to offer, fought the matter out. The facts in connexion with his case were as follow:—He sent to England an order for bottle-wrapping paper, which, under the Tariff, is dutiable

at 15 per cent. When the paper arrived what did he do? Did he enter it as bottle wrapping paper? Nothing of the sort. He entered it as printing paper, which, as honorable members are aware, is admitted free. What do honorable members think of a matter of that sort? Did the defendant know when he was ordering the goods what he was getting? Of course he did. Why then did this merchant not say what was the nature of the goods? The result was loss to the revenue and advantage to this defendant over his neighbours. Proceedings were taken, and the defendant swore that this paper was properly entered as printing paper. He occupies a respectable and responsible position, and is just the sort of person who, under such arguments as have been advanced, would never have been proceeded against by State Ministers, who were in the habit of settling matters within the secrecy of their own chambers. Experts were called in the case, and they swore that this was not printing paper, but bottle wrapping paper. Might the defendant not, at least, have given the country the benefit of the doubt? Did he think that the person from whom he bought the paper had cheated him by sending another sort?

Sir JOHN QUICK.—Is there an item of bottle wrapping paper in the Tariff?

Mr. KINGSTON.—No; but the defendant had only to tell us that it was bottle wrapping paper, and it would have come under the *n.e.i.* The court held that the defendant had not stated the fact when he called the paper printing paper, and he was fined £5 and costs. I had no wish to refer to these cases, and should not have done so but for the reference made by the honorable member for Parramatta. I can tell honorable members of another case which presents a ludicrous aspect. One gentleman imported some toy bagpipes and some kazoos; and, by the way, some of the latter were used last night to light up the darkness of a political meeting and generally make things merry. We can well imagine this defendant consulting the Tariff; and yet I suppose we must blame some poor clerk for making a "clerical error." The defendant, on looking at the Tariff, finds amongst the special exemptions, "musical instruments for the orchestra," and he immediately applies that description to the toy bagpipes, which, as fancy goods, are liable to a duty of 25 per cent. The kazoos were treated in the same

way, and the foolishness went so far as the calling of evidence to prove that this instrument had once been used in a performance managed by Mr. J. C. Williamson. If such articles were used in a performance, I am inclined to think it must have been in the gallery.

Mr. JOSEPH COOK.—But only nominal fines were inflicted in all these cases.

Mr. KINGSTON.—I think that these defendants ought to have been fined more heavily. Amongst the defendants in other cases was one who had previously been fined £250 in the secrecy of the Victorian Customs department, and I hope that no sympathy will be extended to a person who has been compelled to contribute that sum to the revenue in consequence of his eccentricities in the valuation. In another case flannelette, which is subject to 15 per cent., was put down as "cotton piece goods," which are subject to a duty 5 per cent. This, no doubt, was the work of a miscreant clerk, who indulged in the falsity for the advantage of his employer, and to his own everlasting distress. Then, I may mention, as a little incident, the case of a double invoice, sent with the explanation that one invoice, which declared certain finished articles as being in the rough, was furnished "for Customs purposes." I have confined myself simply to the last dozen cases in Melbourne, and the last day's performance in Sydney; and I feel that if I am to blame it is for not formulating a stronger charge, in some instances, against those who did wrong. But I recognise the seriousness of the charge of fraud. The Act has drawn a broad distinction between fraud and offences in which there is no fraud; and I never care to unnecessarily take the more severe course. I have never suggested a charge of fraud unless I felt it to be abundantly justified. All that is asked from importers is reasonable information as to the nature of the goods and their value. These particulars can easily be given, and where they are not given either from a desire to defraud or from want of care, it is my duty, as the Minister of the department, to send the case to court. If the court chooses to report any circumstances which justify the exercise of the Executive prerogative of mercy, the Government can deal with any recommendation made; but I have not, and will not, deal with cases in the

way in which, for one excuse or another, they have been dealt with in the past in Ministerial bureaux, and some of them have been cases involving thousands of pounds, and years of continued fraud. The practice which I have adopted is one which has, at any rate, the merit of throwing the light of publicity on the proceedings. It establishes an example for the benefit of the community; it teaches wrong-doers to do wrong no further; and it declares, above all, that justice cannot be bought and paid for in Australia. Right and justice to their fellow-men, and justice to the revenue requires commercial men to be careful. I hold in my hand a book, entitled *Modern Business Methods: Import and Export Trade*, by Frederick Hooper and James Graham. This is one of the best manuals of commerce; it has been prepared by men whose names command respect; and it is issued to some extent with the countenance of Chambers of Commerce of the highest class. In this book, on the subject of invoicing, we read—

This is an important matter in connexion with the exportation of goods. Correct invoicing is very necessary, not only to prevent difficulties between the merchant here (England), and his correspondent abroad, but also to prevent friction between the correspondent and the foreign Customs officials. In many cases the invoices have to be submitted to the Customs when the goods are imported, and in case of any discrepancy between the invoice and the goods there is certain—

Mark you—"certain"—

to be a fine inflicted on the importer, which he, of course, claims from the merchant on this side.

This book was put into my hands by the Collector of Customs of New South Wales. I need not go further into the subject. This has been a very troublesome time to pass through; but I feel that the storm of censure which broke on my head, and on head of the Government when the present system was initiated, has practically disappeared. I believe sincerely that the action I have taken is appreciated and commended by Australia generally. My only object has been the good of the Commonwealth, and this system has been commenced with the sincere desire that it may be sanctioned by long usage as the law of the land.

Mr. JOSEPH COOK (Parramatta).—I desire to make only two or three remarks, one of which is that this Chamber to-night

has had an exhibition of the judicial temperament which presides over this department.

Mr. WATSON.—The Minister is not, and should not be, a judge.

Mr. JOSEPH COOK.—I agree that it is better the Minister should not be a judge, particularly after what we have seen to-night.

Mr. WATSON.—Nor should any other Minister be a judge.

Mr. JOSEPH COOK.—It would be a calamity to this Commonwealth if such a temperament were found on the judgment seat. The Minister has shown himself to be incapable of exercising that calm, cool judgment which is required in cases of the kind to which reference has been made.

Mr. PAGE.—That is a matter of opinion.

Mr. JOSEPH COOK.—Of course, and I take it that I have a right to express my opinion. It must not be forgotten that all those "scandalous" cases were met by nominal fines.

Mr. WATSON.—There may have been sympathy on the part of the magistrates.

Mr. JOSEPH COOK.—The honorable member for Bland has no right to make a suggestion of that sort unless he has some proof. It is a cheap sort of thing to say, particularly when he does not know.

Mr. WATSON.—I know some of the magistrates.

Mr. JOSEPH COOK.—At any rate, the magistrates heard both sides of the cases, whereas honorable members have only heard one side. If the cases are as bad as the Minister attempts to make out, the only conclusion is that the magistrates are not fit for their positions. According to the Minister, there ought to have been the severest penalties if the magistrates had done their duty to the Commonwealth. But we must assume that the magistrates did do their duty. At any rate, they had the evidence before them, and did not, as this Chamber apparently does, come to a decision on *ex parte* statements made by an hysterical Minister. Both the magistrates and the Minister cannot be right, and it would appear that there ought to be some further investigation. We are told by the Minister that magistrates are not doing their duty.

Mr. KINGSTON.—I did not say anything of the sort.

Mr. JOSEPH COOK.—It is practically a censure on the magistrates for the

Minister to say that the sentences ought to have been more severe.

Mr. KINGSTON.—I did not say the magistrates were to blame.

Mr. JOSEPH COOK.—But that is the implication. I prefer to take the arbitrament of men who sit in cool, calm judgment and hear all the evidence.

Mr. WATSON.—I know one magistrate who fined the P. and O. Company £5 for the fourteenth offence in regard to deserting lascars.

Sir MALCOLM McEACHARN.—Ship-owners cannot prevent desertion.

Mr. WATSON.—They should be compelled to prevent it, if they bring the blackfellows here.

Sir MALCOLM McEACHARN.—The honorable member ought to be a ship-owner.

Mr. JOSEPH COOK.—Are we to infer that the magistrates are wrong?

Mr. WATSON.—No; but the honorable member contends that the magistrates are all right.

Mr. JOSEPH COOK.—Does the honorable member suggest that in these Customs cases there have been more shocking miscarriages of justice?

Mr. WATSON.—No; I do not.

Mr. JOSEPH COOK.—I am not assuming that the merchants are always right, but I say that in nearly all the cases tried up to date only nominal fines have been inflicted.

Mr. KINGSTON.—The honorable member is wrong there.

Mr. JOSEPH COOK.—In nearly all the cases tried in Sydney nominal fines were inflicted, and I cannot bring myself to believe that the magistrates were conniving at an improper state of things and letting off the perpetrators of these scandalous offences with nominal fines. It would be actually conniving at injustice.

Mr. KINGSTON.—The honorable member says, when it suits him, that £5 is not a nominal penalty.

Mr. JOSEPH COOK.—I shall say no more with regard to the matter, merely repeating that I prefer to take the cases as adjudicated upon by the magistrates, and draw the inference, from the fact that only nominal fines have been inflicted, that the cases were not of the serious character which the Minister has led the committee to believe. I prefer to believe that the Minister has come down with his cases ready. He has got some shocking cases out

of the bundle and presented them as typical of the whole.

Mr. KINGSTON.—I brought down the last twelve cases for Victoria and the last day's cases for New South Wales.

Mr. JOSEPH COOK.—My reply is that in all those cases in New South Wales only nominal fines have been inflicted. The Minister cites only the shocking cases, and that is not fair.

Mr. KINGSTON.—The honorable member asked me for particulars of the last cases that were tried.

Mr. JOSEPH COOK.—Unless the right honorable gentleman gives us the good cases as well as the bad, he has no right to expect us to judge him as we otherwise should do. I believe that the Minister has very good intentions in this matter. No honorable member would accuse him of not doing what he believes to be his duty. I only say that his judgment is mistaken, and that he ought to exercise some discretion and find out whether the cases are due to mistake or to a clear intention to defraud. Unless in the right honorable gentleman's judgment it is shown that there has been an intention to defraud, he ought to make some other investigation, with a view of ascertaining whether it cannot be proved that only mistakes have been made. If the full details show that only mistakes have occurred, it is not right to hold up a reputable trader before the courts of the continent to the extent that the Minister is doing. He may suppose that he is bringing about a more salutary state of things than has hitherto existed. That seems to be his mission. He tells us that he is a reformer, that he is a Customs missionary, and that he is departing from old time methods. I fancy that the sum total of the right honorable gentleman's missionary efforts in this regard will not ultimately alter the trading practices of the continent very much. Where he is trying to discover fraud, we can do nothing but applaud him; but at the same time he must not expect us to applaud him vigorously and heartily when we see reputable traders hauled before the courts with the frequency which has occurred, and only fined nominal amounts, leaving the inference to be drawn that nothing of a serious character has occurred.

Mr. G. B. EDWARDS (South Sydney).—I wish to say something on behalf of those who are clearly innocent traders. We have

heard a great deal of those who are guilty of fraud, and the chief cases brought forward by the Minister are cases of such unmistakable fraud, that in the prosecution of offenders he will undoubtedly have the sympathy of most honorable members. Considering that this extraordinary Tariff has been brought into force in six States that have had different Tariffs in the past, and have pursued different practices, it is wonderful that in the altered state of affairs the Minister cannot produce a greater number of cases, and cases of a more flagrant character, than he is able to produce; and this shows that there is not anything like the amount of fraud existing in the mercantile community that he would have the committee believe.

Mr. KINGSTON.—I purposely refrained, and I should not have mentioned any cases unless I had been challenged.

Mr. G. B. EDWARDS.—The Minister has mentioned some cases, and he would not have mentioned them unless they suited his purpose. But I will go outside the cases he has mentioned, and say that the cases I have seen reported in the public press are not more numerous or of greater seriousness than we had reason to expect under the conditions of the altered Tariff, operating upon the whole of this Commonwealth, and under which £9,000,000 of money is being collected. The Minister has not proved that only 90 per cent. of traders are honest on the facts he has given. The number of prosecutions and convictions point to the fact that we have not got in this community the number of dishonest traders that the right honorable gentleman seems to impute to us. The mistake all through has been that the Minister has taken up this absurd stand. He repudiates the suggestion that he has no sympathy for the honest importer, but his own attitude on more than one occasion has led the mercantile community to believe that he is wanting in that sympathy and is only too eager to seize every occasion that arises in order to obtain convictions against them. But it is not the cases of fraud to which I wish to allude, and with regard to which I would pass any strictures upon the Minister. It is the 999 cases of absolute innocence to which I wish to allude. In those cases a great deal of trouble, annoyance, and expense has been inflicted on account of the severe administration of the Customs department, due to the Minister's quixotic

notions of the extraordinary duties demanded from him in order to carry out honestly the Tariff which the Commonwealth Parliament has imposed on the people. Right throughout the whole of these States a very great amount of dissatisfaction does exist—a grave amount of dissatisfaction. It is of no use for the Minister to tell us that this dissatisfaction has only been caused on the part of dishonest traders. It has been voiced almost unanimously in the various chambers of commerce and meetings of mercantile men throughout the whole of the States; and I suppose that the Minister will not contend that only 90 out of 100 of the members of these bodies and meetings are honest men?

Mr. KINGSTON.—Who put it in that way?

Mr. G. B. EDWARDS.—The Minister himself said that 90 per cent. of the traders were honest men, and that the complaints came from the 10 per cent. of dishonest men. But the representatives of the mercantile classes in the chambers of commerce must be held to be an honest body of traders. They are just as desirous as the Minister himself of seeing anything like nefarious practices put down. They have discussed the various disabilities under which they labour, and the trouble, expense, and annoyance to which they have been put. In some cases they have even been put in the position of paying the duty on imports which they contended were duty free, in order to obtain the goods and carry on their own business, rather than fight the battle out with the Minister. I have known men, with whose position I am thoroughly well acquainted, who have admitted to me that their goods have been detained such a long time owing to some severe interpretation of the sections of the Customs Act, that they have paid the duty rather than be bothered any longer with the disabilities imposed on them. It is this friction, and the irritation to which the great body of traders of the community have had to submit, that has put the administration of the department by the Minister so much out of favour with the whole trading community. We all know, as has been admitted by the honorable member for Parramatta, that the right honorable gentleman is actuated by the very highest motives in this matter. But he does not take a common-sense or reasonable view of things;

he goes on the assumption that honest and perfectly incidental cases of mistake should be punished as though positive fraud had been committed. The Minister seems to impute that there should be no such thing as a mistake. He never seems to understand that the Customs officials themselves have made mistakes. I saw the other day in my own office an entry which had been put through for certain imported invalids' food. That commodity, as almost every one in this committee knows, is free according to the Tariff. The goods were passed through the Customs, and duty was imposed upon them. The duty was paid by my Customs agent, and it was only when it came before me that I saw that a mistake had been made. This was a mistake made by the department, which punishes mistakes made by honest traders.

Mr. KINGSTON.—Does the honorable member say that the duty was collected in that case?

Mr. G. B. EDWARDS.—Yes, the duty was paid.

Mr. KINGSTON.—I suppose the honorable member knows that it is only special preparations of invalid foods that are duty free?

Mr. G. B. EDWARDS.—Many of the so-called cases of fraud that the Minister has referred to have been created by the mistake we made in imposing duties on substances in accordance with the use to which they are put, and not on the substances *per se*. In the case which the Minister has mentioned in regard to bottle wrappers, an importer brought them in as printing paper, but it was proved that they were really bottle wrappers, and that duty should have been paid. But I think it extremely probable that the importer may have been intending to have printing done upon those papers.

Mr. KINGSTON.—That would not have made them printing paper.

Mr. G. B. EDWARDS.—The matter opens up a discussion which we previously had in the committee.

Mr. KINGSTON.—If a lady gets on to a cart horse, does that make it a lady's hack? If you put printing on ordinary brown paper does that make it printing paper?

Mr. G. B. EDWARDS.—I say that an honest man might import paper intending to use it for bottle-wrappers, and to print upon it in order that his own name, or the name of the substance in the bottles, might be placed on the outside. He might think

that as he intended to print upon the paper he could call it printing paper. The point was raised, as I have said, when we were discussing the schedule to the Tariff.

Mr. KINGSTON.—The honorable member is wrong in regard to invalids' food. It is only special preparations of invalids' food that are duty free.

Mr. G. B. EDWARDS.—There again I contend that we made a mistake in framing the Tariff so as to make duty collectable upon any article according to the use to which it was to be put. The honorable member for North Sydney urged that the duty should be levied on the substance *per se*. The clear intention of the committee was that invalids' food was to be duty free, but now the Minister says that only special preparations are to be free. If that is the case it appears that Parliament has made a special regulation in favour of particular kinds of invalids' food. The point I am making is that the Tariff is of such an extraordinary character, and so different from the Tariffs to which we have been accustomed in many of the States, that these mistakes are extremely likely to occur, and that the Minister, in dealing with them, although actuated by the highest sense of duty, has gone to such extremes as to make the operation of the Tariff much more difficult and much more creative of friction than it otherwise would have been. There is no doubt that the Minister is responsible for the ill-will that has been displayed towards the Commonwealth on account of the Tariff and its administration. I hope that he has heard sufficient in the discussion which has taken place to teach him a little more reason and common sense, and a little more knowledge of the fact that there are still many honest merchants in this community, and that it is of no use trying to punish them in order to put down rogues. In clear cases of roguery and of nefarious practices in endeavouring to get in goods whilst escaping the payment of Customs duties, or to enter into unfair competition with other firms, I sympathize with the Minister in his action. But when it comes to little trumpery cases in which mistakes have been made, I think the Minister is wrong in going to such lengths as to prosecute the parties. To cite only one instance, I would point out the case in which a gentleman, who I understand is one of the Minister's personal

friends in South Australia, imported a little bottle of mustard-seed oil. The oil was made in the prisons of Calcutta, but the importer had no knowledge of that fact.

Mr. KINGSTON.—The bottle was plastered with statements showing that it was a gaol product.

Mr. G. B. EDWARDS.—But it is very probable that the importer did not know that goods made in Indian prisons are contraband. This gentleman imported the bottle of mustard-seed oil quite honestly, and was perfectly willing to pay any duty that might be charged upon it. He was told in effect, however—"This is contraband. You shall not have it. It shall not be thrown into the sea, as you desire, but you shall be prosecuted." He was prosecuted, and prosecuted in respect of an act for which, if it had occurred anywhere outside the administration of the Customs, he would have been allowed to go scot-free, because it was such an innocent mistake.

Vote agreed to.

Division 32 (*Expenditure in New South Wales*)—£66,883; Division 33 (*Expenditure in Victoria*)—£59,848; Division 34 (*Expenditure in Queensland*)—£60,799; Division 35 (*Expenditure in South Australia*)—£24,494, agreed to.

Division 36 (*Expenditure in Western Australia*)—£30,290.

Mr. FOWLER (Perth).—In connexion with this division, I should like to remind the Minister of the matter to which reference has already been made by the honorable member for Fremantle, and which has also been brought under my notice. Three sheds have recently been erected at Fremantle, and by some arrangement it happens that frequently there is one tide waiter in charge of two or more shifts. I understand that the object of the arrangement is to avoid payment for overtime, but I think it will be seen by the Minister that in the case of two or more vessels discharging cargo, especially at night, it is an absolute necessity in the interests of revenue that there should be the requisite staff on the spot.

Mr. KINGSTON.—I shall look into the matter. I will take this opportunity of saying to the honorable and learned member for South Australia, Mr. Glynn, that as regards the question of forfeitures, I think that no doubt there is power to remit by Executive act.

Mr. WATKINS (Newcastle).—On several occasions the action of the Minister, in

usurping power to tax ships' stores on vessels which do not trade within Commonwealth waters has been brought under notice; but we have not yet obtained his decision on the question. There can be no gainsaying the fact that, in the opinion of the majority of honorable members it is not legal to tax ships' stores on such vessels. It was not the intention of Parliament that they should be taxed; and, while we give the Minister credit for his vigilance in guarding against frauds upon the Customs, it is high time that the Customs law should be administered as intended by Parliament. As the honorable member for South Sydney has pointed out, the irritation which is caused makes the action of the Minister very irksome to traders. I do not know than it was ever the desire of any one that people who are not represented in this Parliament should be taxed by us.

Mr. KINGSTON.—The honorable member refers to vessels which simply call at Australian ports and leave again.

Mr. WATKINS.—Yes, they call at our ports and leave again without trading in Commonwealth waters. It was the intention of Parliament that when such vessels commenced to trade along our coasts they should be required to pay duties upon ships' stores just as have our own coastal vessels, but I do not think the law goes beyond that point. If it does, it is well that we should know of it, so that we may effect an amendment. I should like the Minister to give his absolute decision on the point.

Mr. GLYNN (South Australia).—I wish to call the attention of the Minister to a matter relating to ships which are not on any Colonial or British register, but which, apart altogether from completing a voyage from a foreign port, trade between Australian ports. There is a provision in the Imperial Customs Act that such ships are to be subjected to the same regulations in every respect as are those on the British register. I do not think there is any provision to that effect in any Australian Act, but attention has been called to the matter in South Australia, and a motion has been tabled in the Legislative Council requesting the Federal Government to introduce the legislation necessary to assimilate the position here to that under the Imperial Act. I draw the attention of the Minister to the matter so that an examination of the subject may be made by him as early as possible.

Mr. KINGSTON.—I am obliged to the honorable and learned member for the suggestion. The matter had escaped my notice, but I shall look into it. As to the question raised by the honorable member for Newcastle, I would point out that, although, perhaps, we should have dealt with the question before there have been so many other engagements that we have not been able to do so. Our intention is to frame regulations at an early date in the direction suggested.

Mr. MAUGER (Melbourne Ports).—Last year increments were provided for a number of weighers in the Customs department, and I believe that although cheques were actually drawn in respect of the increases, they were not paid. I wish to know whether any provision is likely to be made for these men, and why, as the department went so far, they did not complete the arrangements?

Mr. KINGSTON.—The answer to the honorable member's question is that these men were given certain rights, but, according to the law officers of the Commonwealth, they are not entitled to these increments until they pass an examination. Provision will be made for the necessary examination, and, if they pass it, they will of course have a right to their increments.

Mr. BAMFORD (Herbert).—I wish to know whether the Minister has made any provision for granting sustenance or living allowances to Commonwealth officers employed in out of the way places, such, for example, as Northern Queensland and certain parts of Western Australia? If the Minister has made any provision for granting these allowances in the tropics, how far north will a man have to be stationed in order to be entitled to them?

Mr. WILKS (Dalley).—As the Minister for Trade and Customs appears to be in the humour to answer questions, I would remind him that the matter of the payment of duty on ships' paints has frequently been brought under his notice, but that we have not yet received any definite reply. All that I ask, on behalf of hundreds of men who will be thrown out of employment if the duty on ships' paints is insisted on, is that he shall regard a dock as a bond, or grant a drawback in respect of paint used on ships in dock. He has done so in other cases, and why should he not do so in this?

Mr. WATSON (Bland).—I should like the Minister to give the committee some

information in respect of the non-payment for overtime worked by the out-door hands in the Customs department. There are a large number of men engaged in each of the States as out-door officers, and on some occasions they have to work all night, and practically without notice, at the behest of the department. Until the control of the Customs was taken over by the Commonwealth, these men in the New South Wales department were paid for overtime, whether they worked at the instance of the Government or a private individual. The Minister, however, has introduced a new regulation by which they obtain nothing by way of payment for overtime, but are given a certain amount of leave if they work an excessive number of hours.

Mr. KINGSTON.—The leave is almost hour for hour.

Mr. WATSON.—The right honorable gentleman has surely heard something of the conditions applying to employes, whether in Australia or one might say, in any other part of the world, and he knows that it is never conceded by any fair employer that hour for hour is a fair return for overtime. After a man has done a full day's work he is asked, without notice in some instances, to work overtime, to pay for his tea, although his wife has already prepared his evening meal at home, and then in his tired condition to carry on for perhaps twelve or fourteen hours at a stretch in addition to his ordinary hours of employment. The Minister seems to be quite overjoyed to think that he has been liberal enough to give something approaching hour for hour for this overtime.

Mr. WILKS. — Overtime should not be encouraged.

Mr. WATSON.—I agree with the honorable member; but when men are compelled to work overtime in these circumstances it is shameful to refuse to pay them anything for it. It is especially unjust when it is recollected that these men are not only at the loss of their own time at an inconvenient period, but are actually out of pocket. Out of a scanty wage of about 7s. a day, they have to provide tea money, and supper money if they work late, and sometimes they have to pay for their own breakfast if they remain on duty all night. I do not know whether the Minister thinks that is proper, but I regard it as a most improper thing. There seems to be a

willingness always to give every consideration to the clerical staff, but to leave other employes without any chance of obtaining fair treatment. I trust the Minister will see the propriety of making some monetary allowance to these men when the Government insist upon their working overtime. I might say that the Minister does allow payment if the men go back to work at the instance of a private firm. The private firms pay the Government, and the Government in turn hand over the money to the employes; but I am referring particularly to cases in which men are compelled to go back at the instance of the department.

Mr. JOSEPH COOK.—Does the Government make that distinction?

Mr. WATSON.—Yes. This is an innovation which has come into force since the control of the Customs was taken over by the Commonwealth.

Mr. WATKINS.—The honorable member does not expect them to get fair play, does he?

Mr. WATSON.—I do, and I do not think it is yet too late for the Minister to redeem himself in this respect. If he persists in this practice a great number of people who have regarded him as a fair man will arrive at the conclusion that he is something the opposite of that. Surely he cannot reconcile the system with his own idea of what is right. It prevails in no other employ that I am aware of, and it is not right that the Government should initiate such a practice.

Mr. JOSEPH COOK (Parramatta).—I hope that the Minister will also inquire into the Customs department generally with a view to seeing the amount of sweated labour there is there. The right honorable gentleman has some knowledge already of the condition of things obtaining, and I look to him with great confidence to stop this sweating at the earliest moment. There are a number of young men who do not seem to be able to secure any advance in wages. Some of them, who have been in the department for eight, nine and ten years, are getting to-day only £52 a year, whilst others are getting £65, £70 and £80. When men who are handling money all day are being paid such salaries it occurs to me that they are under strong temptation to peculation. I know of one who is a clerk to the cashier, and he is handling money all day long. He has not had an advance in wages for five years.

There is nothing against him; his reports are all good, but somehow or another he is stuck there. I know of another, one of the best hands in the office, who has been getting a salary of £52 a year for years past and can get no advance.

Mr. WATSON.—Is he over 21 years of age? If he is the Public Service Act will bring him up a little.

Mr. JOSEPH COOK.—Yes, it will; but there are some other cases to which the Act will not apply. Where men who have the handling of money have arrived at years of maturity they should at least receive a sufficient salary to enable them to keep themselves. That is not the case in many of the instances to which I refer, and I confidently appeal to the Minister to rectify this state of things.

Mr. WATKINS (Newcastle).—As bearing upon this question I desire to draw the attention of the Minister to the necessity for a few more clerks at the busiest shipping ports of the Commonwealth. So far as the port with which I am connected is concerned it is impossible for shippers to get their entries passed on goods landed after two or three o'clock in the afternoon.

Mr. WATSON.—Nor can they in Sydney.

Mr. WATKINS.—I have learned that that is the case also in Sydney. They have to discontinue unloading, or else allow their goods to remain on the wharf to be pilfered, possibly, during the night. It is disgraceful that such a state of affairs should be permitted to exist in order to avoid the employment of an extra clerk or two to enable entries to be passed within the prescribed hours. I do not say that any blame for this attaches to the officers at present employed. It is due to the fact that the offices are undermanned, and that those who are employed are unable to cope with the work they are called upon to do. I urge the Minister to look into the matter with a view to making some improvement in the existing condition of affairs.

Mr. KINGSTON.—Replying first to the question of the honorable member for Herbert with respect to living allowances in the tropics, the matter is engaging the attention of the Public Service Commissioner, with a view to the adoption of a rule on the subject which will apply generally to the tropics. I hope that it will shortly be settled. It has generally

been the practice to make an allowance to officers employed in the tropics, but the honorable member will understand that it is highly desirable, now that the States have federated, that a uniform practice should be adopted, and that will be brought about by the means I have indicated. With regard to what has fallen from the honorable member for Dalley, I must apologize to the honorable member as to the matter of paints. It is a difficult matter to deal with, but I hope to have it dealt with within the shortest possible time, on lines that will be considered satisfactory. On the subject of overtime, I do not know that at this moment overtime is being worked to any great extent. With regard to overtime worked in the past, which has not been remunerated either by payment or by allowance, and in respect of which any claim is made, we shall have it looked into.

Mr. WATSON.—Is it a fair thing to give only an allowance of time to a man who has been put to expense in order to comply with the requirements of the office?

Mr. KINGSTON.—If expense is incurred that should be a matter for consideration. The officer should certainly not be subjected to a loss. The honorable member will agree with me that, generally, overtime is to be avoided, but those who have to work overtime should certainly be fully compensated. I hope to see the time when overtime will be avoided entirely, because I believe it to be a mischievous system.

Mr. WATSON.—The question is what are we to do in the meantime?

Mr. KINGSTON.—It is our intention, as regards the staff at Sydney and elsewhere, to make such provision as will avoid the necessity for the working of overtime. Here I should like to say to the honorable member for Parramatta that I agree with him that there are a number of very hard cases—I think New South Wales is chiefly conspicuous in this respect—in which officers seem to have become stuck through no fault of their own. They have done good service, but have remained at ridiculously low salaries for the work they are called upon to perform.

Mr. WATKINS.—And yet the Government are sending men across from here to those offices.

Mr. KINGSTON.—The federal service is one—

Mr. WATKINS.—If men are sent from other places to the offices in New South

Wales, there will be little chance of promotion for the men who have been employed there.

Mr. KINGSTON.—Everything has to be considered, and we cannot permit a man who has been receiving only £60 a year to take a place at £200 or £300 a year, positions which are not so frequent as one might desire. My attention has been called particularly to what I call the hard cases, of men who have been stuck through no fault of their own, and who are receiving salaries which are simply ridiculous, considered as emolument for the services of any one who has attained adult age. I have a list of them, and they would have been made provision for expressly on the Estimates, but it seems that in nine cases out of ten their position will be improved as soon as the section of the Public Service Act comes into operation, providing a certain salary for officers who have served a certain time. Cases which will not be affected by the Act will not be overlooked.

Mr. WATSON (Bland).—I should like to know from the Minister distinctly whether he intends to pay for overtime worked. I would remind the right honorable gentleman that this matter has been under consideration now for months. The right honorable gentleman has the reputation of being a man of decision, but he will lose that reputation if matters under his control are permitted to go on for months and months without any decision, and without those interested being able to get anything definite as to the conditions under which they are to work. It is a shameful state of affairs that the Minister should ask men who are receiving 7s. a day to spend as much as 3s. out of that in order that they may get food to sustain them while they are working overtime, without a penny of compensation being given them. They are merely offered some time off as compensation. That is not a state of affairs which the Commonwealth Parliament should allow to continue.

Mr. KINGSTON.—Does the honorable member say that tea-money is not allowed?

Mr. WATSON.—I say that tea-money has not been allowed to these men, and I say, further, that they have had to pay for supper and breakfast as well. It must be remembered that these men have their meals prepared for them at home, but they get notice at the last moment that they

must go on duty for the convenience of the Government, and though they receive a paltry wage of 7s. a day they get no compensation for the overtime worked. It is contemptible in the extreme to ask men to work under these conditions. The Minister should give us to understand definitely that the out-door and lower paid officers will be given more consideration in this respect than they have had in the past. I am convinced that if honorable members had an opportunity of expressing an opinion upon this matter, apart from other issues, the great majority of them would admit that what I suggest is only fair. I know that the clerical officers of the department have had a hard time in Sydney for some months past, and they have been given tea-money and some time off, though not the full time to which they have been entitled, as compensation for overtime worked. It is to be hoped that, so far as the clerical staff is concerned, the Minister will supplement their numbers to such an extent as to allow of the work being completed within the specified office hours. But their hours are ordinarily much shorter than those worked by the men to whom I have specially referred. The officers in the clerical staff work from nine o'clock in the morning until half-past four in the afternoon, whilst the outdoor men must work eight hours each day before they are entitled to any overtime, and, as they are also lower paid men, their case merits greater consideration than that of the clerical staff. I trust that the Minister will say something on the subject a little more definite than what he said a few moments ago. The statement the right honorable gentleman has made was merely to the effect that these men have been allowed time off in the past, and he hoped there would be no necessity for them to work overtime in the future. I say that, without over-manning the outdoor staff, it is impossible to avoid some overtime work. I quite agree that it should be minimized to the greatest possible extent. None of us desire to see men working too long hours, even if they are paid extra for it. But in the case of these men some overtime work is inevitable, and the Minister might revise the regulations previously existing in New South Wales, under which men working overtime, either for the Government or for private individuals, were paid for the overtime worked. I express no opinion as to the rate of payment.

The rate previously paid may have been too high, or it may not, but that there should be some payment for overtime there can be no doubt. I am sure that a majority of honorable members will be prepared to admit that this is a proper plan, and to insist that it shall be observed.

Mr. KINGSTON.—As regards the question of payment for overtime as overtime, it must be remembered that the arrangements hitherto existing have not been of that character.

Mr. WATSON.—They were in New South Wales.

Mr. KINGSTON.—But the systems were assimilated as soon as federation took place, and, of course, it would be impossible to justify the adoption of one practice in one State and a different practice in another. I feel that it is quite unfair that a man working overtime should be at any expense whatever in providing meals. As a rule, tea-money only is provided, but the honorable member for Bland suggests that the men may require to have a further meal.

Mr. WATSON.—Men working all night require tea, supper, and breakfast.

Mr. KINGSTON.—I think it is proper that when men are working overtime they should be allowed payment for their meals, and I shall allow it.

Mr. WATKINS.—What about extra clerical assistance where required?

Mr. KINGSTON.—It will be supplied where required. In the case of Newcastle, recognising the importance of the port, I have arranged to send an officer there of considerable experience and standing, and to provide the clerical assistance which is necessary.

Mr. WATKINS.—The right honorable gentleman is sending men from other States there.

Mr. KINGSTON.—I contemplate appointing to the comptrollership of Newcastle a gentleman from New South Wales who has lately been in my own office, a man much senior to any local officer who might be an applicant for the position.

Mr. CROUCH.—What about the two messengers whose case I brought under notice?

Mr. KINGSTON.—I think that they are provided for in the Estimates, and if not they will be provided for under the rule, for theirs is a very hard case.

Vote agreed to.

Division 37 (*Expenditure in Tasmania*)—£9,675.

Mr. BAMFORD (Herbert).—I am sure that the committee, as well as the country generally, is very much interested in the success of our legislation in regard to the growth of sugar with white labour. I take this opportunity of speaking on the subject, because, so far as Queensland is concerned, my speech will obtain a great deal more publicity than if it appeared in any of the newspapers, either local or otherwise. Some time ago there appeared in the *Age*, a letter on the subject from Mr. O. C. Chambers, in which he implied that white labour in the cane fields is an utter failure. I desire to put the other side of the case. There are a great many persons who being interested in sugar-growing do not wish to see white labour a success. They have no sympathy with our legislation, and their aim is that it should be a failure. I have in my hand some extracts from northern newspapers, and also letters which I have received from private correspondents. It has taken some time to get a refutation of the statements made by Mr. Chambers in his letter, and consequently I could not raise the question at an earlier period. He said, amongst other things, that the mills could not be kept going with small quantities of cane—that they required a great quantity of cane daily to keep them going, and that it was utterly impossible that they could be supplied by the users of white labour. As a matter of fact, there are a number of mills in the Mackay district, from which he wrote, which are supplied almost entirely by small growers. In that particular locality there are five central mills, which are entirely supplied by small settlers. In fact, the central mills were erected for the express purpose of giving the small grower an outlet for his cane. A mill is supplied by a number of small growers, each grower bringing in a small lot every day. At most of the mills there is a cane inspector, who goes round and judges when the cane is fit for crushing; and as soon as it is fit for crushing he gives notice to the farmer, and so much as is ready to be cut is then cut and carted to the mill. As regards the cutting of cane by white men, I propose to read a few extracts from local newspapers. The *Mackay Chronicle* wrote on the 20th August as follows:—

There comes from Plane Creek the news that two local young men are getting 3s. per ton for

cutting and loading, and are making over £2 per week each, clear. In fact, their last week's tally was 38 tons, which works out at £2 17s. each.

Plane Creek is in the same district as Homebush, from which Mr. Chambers wrote. In his letter he said that he offered 5s., and even as high as 6s., if my memory serves me aright, for cutting; but that he could not get it done, whereas these men are doing the work at 3s. The *Federal*, which is published at Townsville, had the following statement in its issue of 30th August:—

The gang of white cane cutters at Halifax finished their contract early this week. They were eleven in number, and have proved beyond a doubt that the work of cutting and loading cane is congenial to, and can be performed easily by white men. They were receiving 4s. per ton, and averaged from 2 to 2½ tons per day, occasionally when in heavy cane doing over 3 tons in a day. There are also excellent reports of the white cane cutters' working near Ingham.

Halifax and Ingham are on the Herbert river, one of the hottest portions of the cane-growing area. The *Trinity Times*, published at Cairns, wrote on the 27th August as follows:—

The Hambledon cane gang informs us that they received every assistance from the C.S.R. Company during the performance of their contract. Taking in the time occupied in trashing and putting in the good* with the bad patches of cane, the gang made just upon navvying wages for the whole time they were occupied, although it was only a 12-ton crop. The men are perfectly satisfied that among 15 or 20 ton crops they could easily make far higher wages than at any equal work.

In the issue of the *Federal* for the 23rd August, Mr. A. Humphries, a cane-cutter, gives his personal experience in these terms—

I never handled a cane-knife before; but after a few days I was willing to cut cane with any kanaka that ever saw daylight. I consider this six weeks' cane-cutting as the easiest employment I have had for years. Having been navvying, bullock-driving, &c., I should be able to give an unbiased opinion.

Mr. Humphries writes from Kalamia on the Lower Burdekin, where his gang were employed by a Mr. G. Campbell, and states that they are looking for other work of the same sort. In that district, I am sorry to say, there were very few growers who registered; but evidently there were some. Mr. R. M. Shannon, who grows cane in a comparatively large way, has written to me from Mackay in these terms:—

I have seventeen white cutters, and my work has gone along with greater despatch than usual.

The Sunnyside correspondent of the *Mackay Chronicle* writes as follows :—

I have just had a visit from one of the cane cutters in a white gang here telling me to call attention to the rumour in the press that all the white gangs at Homebush had broken up. This he tells me is not true. We have our gang here sticking to it well and making good wages. They are cutting Mr. Dymond's cane at present.

These extracts are representative of many others which I could quote if it were necessary. I may remark parenthetically that at Port Douglas, the most northern locality at which cane is grown in Queensland, white cutters have been very successfully employed. The distance from Plane Creek to Port Douglas is, I think, over 450 miles. Port Douglas is well up in the tropics. I suppose it lies between 15 degrees and 15½ degrees south. Between those points there are a great many sugar-growing areas, and in each case the experiment has proved successful. Mr. Chambers further states in his letter that after the gangs had left the work he could get no other men to undertake it. I am credibly informed that at the time when he wrote the roads around Mackay were literally alive with men seeking work. It is a very remarkable thing that if others were so fortunate as to get men, he could not. On the 21st August—which is a little later than the time when he said that he could not get gangs, that several gangs had been disbanded, and would not re-form—there were thirteen gangs, aggregating in all 59 men cutting cane by contract, and four gangs, with fifteen men in all, cutting on weekly wages at Homebush. Two gangs only had disbanded up to that date—that of Mr. Chambers, fifteen men, being one, and that of Mr. Winser, five men, being the other. I can inform the committee that the statement regarding the men working at Homebush at that particular date is absolutely correct. In face of these reports in the press and the opinions of the cane-cutters, the statement made by the Premier of Queensland that men could not make more than 15s. per week at cane-cutting will not establish his reputation for sincerity, because here is proof that men were making £2 17s. each, some of them earning more than that amount. In a letter which Mr. Shannon sent to me, he says :—

Federation and federal legislation are doing a great deal of direct good to the sugar industry. White Australia is all right. Keep right ahead with it.

Mr. Shannon is a comparatively large sugar-grower within a few miles of Homebush, from which Mr. Chambers wrote. It may be remembered that when the legislation in regard to coloured labour was initiated, Mr. Philp wrote to the Prime Minister asking him if we would guarantee the cost of two mills, one on Johnstone River and one on the Russell River.

Mr. WATSON.—He had been asked by a deputation to do so, and he said—"Go to the Federal Government."

Mr. BAMFORD.—He, as it were, asked the Commonwealth Government to carry the baby, but the request was declined. In 1896, the Johnstone River selectors had a distinct promise from the present Premier that a mill would be erected in their district and another on the Russell River; but after the passing of the Pacific Island Labourers Act, he declined to fulfil the promise, on the ground that the outlook for the sugar industry was so black that he was not justified in spending any more money upon the erection of mills. The selectors of those districts are again taking steps to induce the Queensland Government to erect mills, and it is a significant fact that a meeting recently held at Cairns with that object was presided over by a Mr. Draper, I believe, the present mayor of the town, and a man who has always strenuously maintained that white labour could not do the work which has to be done in the cane-fields. At that meeting a resolution was carried, *nem. con.*, of which this is the concluding portion—

We are thoroughly satisfied that under the altered conditions brought about by federation, mills in this district would be highly payable, and their erection would be of immense benefit to this district in particular, as well as to the whole State of Queensland.

Mr. WATSON.—Would the selectors in the district have to pay for the mills they wish the Government to erect?

Mr. BAMFORD.—If the mills were erected, they would have to mortgage their land to the Government, and would therefore lose all they had if the investment failed. But, notwithstanding what has been said by the Premier of Queensland and some of his Ministers, these people are quite willing to go on growing sugar under the altered conditions brought about by federation.

Mr. CROUCH.—Was the meeting to which the honorable member has referred one which any one could attend?

Mr. BAMFORD. — Yes, a public meeting held in compliance with an advertisement inviting the whole population to be present. Cairns is 400 miles north of Mackay, and Port Douglas is 50 or 60 miles beyond Cairns. Mr. Shannon, whom I have already quoted, says, in a private letter to me, that men were so plentiful at the time that he could not find work for all who offered themselves, and had to put up a notice to the effect that he was fully supplied. In the face of facts such as these, the allegation that white labour in the cane fields is a conspicuous failure is proved to be an absolute contravention of the truth. I thank the committee for having given me the opportunity of making this statement.

Sir JOHN QUICK (Bendigo). — A few days ago, in an interview published by the *Argus*, the Premier of Queensland was reported to have said—

The anti-kanaka legislation of the Federal Parliament is inflicting serious injury upon the sugar industry, and what between the drought and ill-considered legislation, Queensland is indeed in a bad way. Some planters at Geraldton have been making a sincere attempt to get their work done by white labour. They notified that 5s. per ton would be paid for treating 1,000 acres of cane; but they succeeded in getting only 33 acres cut, and the men only made 15s. per week apiece at the work.

The address just delivered by the honorable member for Herbert is a most valuable contribution to this important question, and the facts which he has submitted go a long way to refute the statements of the Premier of Queensland, and to justify the action of this Parliament in passing the legislation which he is denouncing, and because of which he has endeavoured to promote the disruption of the Union. It is to be deplored that a gentleman in the position of a Minister of the Crown should endeavour to damage our federal institutions, when information such as that which has just been placed before the committee by the honorable member for Herbert was at his disposal. I hope that the speech of the honorable member for Herbert will not be suppressed, but will be published far and wide, especially in Queensland, so that the misleading statements made by the Premier of that State in order to damage the Commonwealth Government, if not the Union itself, will be refuted, and the public will be placed in possession of the real facts of the case.

Vote agreed to.

POSTMASTER GENERAL'S DEPARTMENT.
Division 159 (*Central Staff*)—£4,904, agreed to.

Division 160 (*Expenditure in New South Wales*)—£786,896.

Mr. WILKS (Dalley).—I wish to draw the attention of the Minister representing the Postmaster-General to a fact which I brought under notice when the Estimates were last being considered. In the first place, the Comptroller of Stores in Victoria, whose salary last year was put down at £440 per annum, is being given a salary of £460 per annum, from the 27th December next—an increase of £20. In the second place, the clerk in charge of Stores in New South Wales, who performs exactly similar duties, receives only £320 per annum. It seems to me that it would be only fair if the two officers received at least the same salary, supposing that the stores over which they have control are of about the same value; but, as a matter of fact, New South Wales being the larger State, requires a much greater quantity of stores than is required in Victoria. I know that the Minister will say he cannot regulate these salaries, but I should like him to make some statement which will serve as a direction to the Public Service Commissioner in regard to the matter.

Mr. WATKINS (Newcastle).—I should like to know why the relatives of deceased officials, for whom gratuities appear upon these Estimates, have not already received the amounts due to them?

Sir GEORGE TURNER.—The gratuities are not legal liabilities, and can be paid by the Commonwealth only with the consent of the States.

Mr. WATKINS.—Has it taken twelve months to obtain that consent?

Sir PHILIP FRYH.—Consent has been obtained for those on these Estimates.

Sir GEORGE TURNER.—The gratuities will be paid directly the Estimates are passed.

Mr. WATKINS.—I have also something to say in regard to the slowness of the department in connexion with the extension of the telephone system. I have brought under the notice of the Minister several instances in which extensions could be made which would pay from the start, but in each case I have received the reply that no funds are available for the work. It is a short-sighted policy not to construct such lines. They could very well be paid for out of revenue. It may be necessary to raise loans

for the construction of very large works, but small connexions between suburbs, or to bring an outlying district into communication with a main centre of population, might very well be paid for out of revenue, especially when it is obvious that they would pay from the start. We had a sufficiently large surplus upon last year's transactions to carry out these works, if we had kept as much as we were entitled to keep. The present short-sighted policy of the department cannot be allowed to continue much longer. These works will have to be constructed to meet the requirements of the public. The Minister should be prepared to undertake the construction of telegraph and telephone lines where there is a prospect of deriving a profit from the beginning.

Sir PHILIP FYSH (Tasmania).—The honorable member for Dalley has supplied the answer to this question by calling attention to the fact that the relative value of the services of the officers to whom he referred will have to be determined by the Public Service Commissioner at an early date. With regard to the matter mentioned by the honorable member for Newcastle, I may mention that there is now being printed a revised list of the public works which are to be constructed out of the revenue for the current year. The honorable member will find that the telegraph and telephone extensions to which he has referred are included in this list of works, and that they will shortly be constructed.

Mr. WILKS (Dalley).—I am quite satisfied with the reply made by the Minister. In connexion with the same division, however, I find that there are 502 employés in the letter-carriers' department in New South Wales who receive salaries amounting in all to £54,000. In the letter-carriers' room at the Victorian General Post-office the total number of employés is 245, and the salaries paid aggregate £30,000. There seems to be an inequality in this case, which should be explained.

Sir GEORGE TURNER.—And yet the Victorian officers are complaining because they are not placed in the same position as are those in New South Wales. There may be a large number of juniors in the New South Wales service.

Mr. WILKS.—Still there are more than twice as many letter-carriers employed in Sydney as in Melbourne, whilst the expenditure is not nearly so great in

proportion. I find, further, that New South Wales is satisfied with one overseer of letter-carriers who receives the princely salary of £160 per annum, whereas in Victoria, with less than half the number of employés to control, they have one supervisor at £336 per annum and an assistant supervisor at £252 per annum. I am not arguing that the Victorian service is overmanned, but I think that this matter should engage the immediate attention of the Public Service Commissioner. It is no wonder that the Public Service of the Commonwealth is disorganized whilst these incongruities exist.

Vote agreed to.

Division 161 (*Expenditure in Victoria*)—£552,332.

Mr. TUDOR (Yarra).—The charwomen engaged in the Melbourne General Post-office complain that although they have been in the service for as long as 23 years in some cases, they are still classified as temporary employés. I brought this matter under notice when the last Estimates were before us, but I have not heard that the grievance has been remedied. These women are anxious to be placed on exactly the same footing as officers occupying similar positions in other States. They think that if the employés who are engaged in cleaning post-offices in other States enjoy the status of permanent officers they should be placed in the same position, so that they cannot be turned off at a moment's notice. In this and other respects it is desirable that uniformity should be brought about in all the States as soon as possible. I understand that the Public Service Commissioner has not yet been able to frame all the regulations necessary, but I hope that the work will be pushed on as quickly as possible. As the Treasurer is aware a case is pending in the Victorian law courts, which may involve the Commonwealth in an additional expenditure of £30,000 a year for the payment of increments to officers under clause 19, Act 1721. I understand that he has provided for this in the Estimates.

Sir GEORGE TURNER.—No. I have not provided for it, but I have promised that the increments shall be paid.

Mr. TUDOR.—Eight thousand nine hundred pounds are provided for increments to officers in New South Wales, but I do not see any similar provision in the Victorian Estimates.

Sir GEORGE TURNER.—The Victorian increments are added to the individual salaries, but in the New South Wales Estimates the increments are provided for in a lump sum, because there was no time to apportion them.

Mr. TUDOR.—I am pleased that the Estimates are presented to us in a much clearer form now than they were last year, and I hope to see a still further improvement. Do I understand from the Treasurer that it will not be necessary to pass further Estimates to provide for the payment of increments in the event of the case now pending being decided against the Government?

Sir GEORGE TURNER.—If it is shown that the officers are entitled to the increments involved in the present action, I shall do the best I can to pay them out of the Treasurer's advance account. I have asked for a large vote in order to meet these and similar cases.

Mr. TUDOR. — I am glad that the Treasurer has provided for the payment out of his advance account of the increments necessary to carry out the minimum wage provisions of the Public Service Act from the 1st July, that is the beginning of the present financial year.

Vote agreed to.

Division 162 (*Expenditure in Queensland*)—£399,818.

Mr. WILKINSON (Moreton). — The amount which it is proposed to pay the Queensland Railway Commissioner for the carriage of mails—£50,000—appears to be very large. I have been trying to ascertain the amounts paid to the Railway Commissioners in other States for similar services.

Sir GEORGE TURNER. — In Victoria £65,000 is paid, and in New South Wales I think £70,000. The amount named is paid to the Railway Commissioner of Queensland under an agreement entered into between the railway and post-office authorities in that State.

Mr. PAGE.—And £10,000 was added to the amount just before federation was accomplished.

Mr. WILKINSON.—I think that this is a matter which should be prominently brought under the public attention, because the increase of the amount, in the manner mentioned by the honorable member for Maranoa, makes the Post-office department appear worse off to that extent, and places

the Railway department in a better light; whilst the people of Queensland do not benefit to the extent of one penny. There has been a great deal of manipulation of the Queensland finances by the State Government in connexion with this and other transferred departments—as I shall show when the Defence estimates come under discussion—and I think that it is necessary, in view of the complaints regarding the increased cost of the transferred departments, that the whole of the facts should be laid bare. The sum paid to the Queensland Railway Commissioner for the conveyance of mails is altogether out of proportion to the amounts charged for similar services in other States. I am quite aware that Queensland has a large territory with a scattered population, but there must be a difference of more than £20,000 in the cost of carrying mails in Queensland and in New South Wales, the latter State having a population three times as great as that of Queensland. It would have been much better for the people of Queensland if that £10,000 surcharge had been spent in providing them with facilities in the way of telegraph and telephone lines and new mail services.

Mr. PAGE.—It is impossible to get any new services unless the department is guaranteed against loss.

Mr. WILKINSON.—I am aware of that fact. To my mind, it is exceedingly unfortunate that whenever people approach the department with a request for increased postal or telegraphic facilities, they are met with the objection that no funds are available for the purpose. I think that we might very well economize in other directions to enable us to provide these facilities, particularly in sparsely populated districts.

Mr. BROWN (Canobolas).—I should like to direct the attention of the Minister representing the Postmaster-General to item No. 18, which reads — “Allowances to non-official postmasters, receiving office keepers, &c., and to provide for the opening of new non-official post-offices, receiving offices, &c., £9,300.” I desire to be informed of the policy of the department in respect of these non-official post-offices. Is it intended, with a view to bringing about a uniform system, to reduce to any considerable degree offices in New South Wales which have hitherto been classed as “official” post-offices, and to make them “non-official”

post-offices. I know that at the present time a proposal to adopt that course in regard to a post-office in my own electorate is occupying the consideration of the Postmaster-General. I refer to Alec-town, which was formerly a mining centre, and where for several years a post and telegraph office has been maintained. Upon the grounds of economy, I understand that it is now proposed to reduce the status of that office from an "official" post-office to a "non-official" one. As soon as this fact became known, certain representations were made to me by the residents. I instituted inquiries at the Postal department, and was led to believe that no further steps would be taken in that direction. Subsequent inquiries, however, revealed that the Sydney Postal department had committed the Government to the complete change of system which is now contemplated. As soon as I informed the people of the Ministerial intention, they held a meeting to consider the position, adopted certain resolutions which were forwarded to the Postmaster-General, together with a petition signed by a large number of the inhabitants. Since then I have learned that the department has entered into arrangements with a local storekeeper to erect new premises, and has appointed him—some time in advance of the termination of the present contract—to the position of non-official postmaster. I am informed that this action has been taken with a view of bringing about the adoption of a uniform system. Personally, I think it would be a great mistake to withdraw facilities of this character from the community. I may inform honorable members that Alec-town does not partake of the "mushroom" growth which characterizes many other mining centres. It is surrounded by country which is admirably adapted to agricultural pursuits. Indeed, it is the agricultural population which now maintains it. During the past fifteen years a considerable area of Crown lands in its immediate vicinity has been held under pastoral lease, and has thus been closed against settlement. These leases have now expired, and it is quite open to the Minister for Lands to make them available for closer settlement. Indeed, it is only the severity of the prevalent drought that has caused him to decline to sanction their withdrawal from pastoral occupation at present. As soon as the drought breaks up, and better conditions obtain, no doubt

they will be thrown open for closer settlement. Some fifteen or eighteen months ago a similar proposal to that which is now entertained, was under the consideration of the State Postal department. Indeed, the State Ministry had approved of the reduction of the status of the post-office at Alec-town upon the same lines that are now proposed. Subsequently, however, the Commonwealth Attorney-General visited the town in connexion with the federal campaign, and he was so impressed with the possibilities of the district that he communicated with the State Postmaster-General upon the matter, with the result that the arrangements which had been entered into were immediately cancelled, and the post-office was allowed to maintain its former status. The cancellation of those arrangements involved the payment of compensation to the storekeeper who had been appointed as non-official postmaster. Seeing that it was deemed wise to reverse the decision of the State Post and Telegraph department at that time, surely it is rather premature for the Commonwealth to adopt the plan which was originally proposed. People of the district naturally feel indignant at the treatment which has been accorded to them. I should like to know to what extent this reduction on the plea of uniformity is likely to effect the privileges possessed by residents of New South Wales prior to entering federation?

Mr. MAHON (Coolgardie).—The honorable member for Canobolas deserves credit for having drawn attention to this matter, but I certainly do not agree with the conclusion at which he has arrived. I hope the Postmaster-General will persevere with the abolition of official offices where these do not pay expenses, and hand over the business to storekeepers and others, who can carry it on at a moderate cost, and thus conduce to the economical management of the department. I have never heard anything more preposterous than the suggestion made by the honorable member for Canobolas, who, if I understand him correctly, wants the department to adhere to a course of action taken at the instance of a person who was a candidate for the Federal Parliament, and who was soliciting the votes of the people in the district affected by the change. That has been openly avowed by the honorable member, thus showing that the representations made by the candidate were

interested, and that he presumably had sufficient influence with the local Government to induce them to take his view of the situation. This matter of unofficial as against official post-offices is very important to the State of Western Australia, and, in my opinion, the policy pursued by the department is a proper one. It is not pleasant for an unfortunate official to be located at some far-distant inland station, where the receipts may be only from £50 to £100 a year. He is chained up in a locality where there is no congenial society or recreation, at a loss to the department. It is, therefore, far better to allow the storekeepers to run the post-offices, as is extensively done in Victoria. If this system has worked well in the State which I have just mentioned, why should it not work well also in the State of New South Wales? Honorable members must not overlook the fact that if the postal department is to pay its way, and facilities are to be given in the interior of the continent, the funds must not be loaded down with unpayable offices. We expect the mails to run into the remotest portions of Australia, and that cannot be done if officials are kept at offices at salaries which the revenue earned does not cover. I shall have something to say on this matter when the Estimates of Western Australia come before us. But I cannot help now expressing my disapproval of a suggestion which the honorable member for Canobolas has made, and repudiating his remarks as to the mushroom character of mining townships. What about the mushroom character of some of the townships in the desert portions of Queensland and New South Wales which are dependent upon the squatters, and which are just as liable to fluctuation? A distinct injustice is being done to the mining community by the facilities given in the more settled portions of Western Australia, which enjoy post-offices with highly-salaried officials, when a greater volume of correspondence has to be contended with in mining townships by men paid £10 to £12 a year. Only the other day I referred to a case in which the department had actually offered a man £6 a year at an important mining centre, where, according to the representation made, nearly 20,000 letters passed through the post-office annually. If the same volume of correspondence passed through an office on the coast, there would probably be an official with a salary of £100

— *Mr. Mahon.*

to £150 per annum. The department did stretch a point, and offered the man in charge at the mining township the magnificent sum of £12 a year to do the work, although all commodities there are at famine prices, even a glass of beer costing 1s. I hope the committee will not follow the advice of the honorable member for Canobolas, but will approve of the policy of the Postmaster-General in extending the system of unofficial post-offices. I do not say that there may not be some objection to these unofficial offices, but if the whole of the interior of Australia has to enjoy the advantages which we all expect and desire in the matter of postal communication, every effort must be made to keep down expenses, and so maintain the service which at present exists.

Mr. MACDONALD-PATERSON (Brisbane).—I did not hear the early part of the speech of the honorable member for Canobolas, but I was very glad to hear a portion of his remarks, if only because they afford me an opportunity of expostulating against the opinions he expressed. I may not be able to reply to the honorable member for Canobolas in the happy terms used by the last speaker, who made one of the most practical and common-sense speeches I have yet heard on the question of postal facilities in the interior. I have had a large experience in this matter, and I am quite satisfied that we have men in the Post and Telegraph department who will take care to carry out the reforms which are so necessary. There is no doubt that official buildings and appointments ought to be minimized in many hamlets, and also other places which do not even deserve the latter description. I know of a post-office that was built within the last few years at a cost of £3,000, and fully equipped, though the population within a radius of 10 miles is less than 500. I know of another post-office which cost probably a little more, putting aside the value of the land. There is a fine brick building in the Gothic style of architecture, and the architect's fees, not considering the remuneration of the inspector of works, would be sufficient to supply a post-office to the village for the next 25 years. But the contract price and other expenses had to be paid, all, as usual, being taken out of loan moneys. As to the carriage of mails, I remember once arranging with Cobb and Co. to cancel a contract which involved

some hundreds of pounds. One item was, in round figures, £500, and the total revenue per annum was £5 3s. 6d., crediting every letter from England or Russia. In London I saw a population of 100,000 in one of the best neighbourhoods served, in two grocers' shops, used as telegraph, telephone, and post-offices by two girls and a man, to whom the British Postal department paid a certain price for providing most excellent facilities. These are a few facts which I wish honorable members to remember. Unless the expenditure is reduced to the most modest dimensions we cannot, as the honorable member for Coolgardie has pointed out, provide necessary conveniences in the backblocks. Money ought not to be squandered on official appointments and buildings in alleged townships which consist mainly of a blacksmith's shop and probably a lock-up. We should cease to appoint officials who have practically nothing to do and cannot live in comfort at their stations on a reasonable salary. I hope the time is not far distant when the Postmaster-General will try to make the department what it is in England and some other countries, such as America. In Australia we can send for 2s. 6d. a telegram which in America would cost 15s. We have the cheapest telegraph rates in the world, but we must not forget that it may be possible to have them too cheap. I remember quite well that when local postage was reduced from 4d. to 2d. it nearly wrecked the finances of all the colonies. In two of the colonies at least the change was brought about for electioneering purposes. The Post and Telegraph department ought to be worked neither at a loss nor at a great profit in a new country. We know, however, that millions of profit are realized out of the postal service in England, Germany and elsewhere, and surely some attempt should be made to stop the flagrant disbursements to which the last speaker referred in terms which, while courteous, were strong, and must bring conviction to those who desire good service for honest payment.

Mr. BROWN (Canobolas).—I spoke before merely in order to elicit from the honorable member representing the Postmaster-General what the policy is to be, and to what extent, if any, it will affect existing interests in New South Wales, quoting Alectown as an instance in point. As the outcome of my remarks the honorable member for

Coolgardie made a short address, and caused it to appear as if I had stated that the alteration was improperly brought about for the purpose of securing political advantages. I made no statement of that character, and what the honorable member stated was pure inference. I am fighting with him to secure advantages for mining centres, and not only that, but to retain advantages which the Government have seen fit to give to such centres. Because population has decreased in a certain place owing to the falling off in mining, it does not follow that that population has permanently left. A number of mining places in New South Wales have gone through the same experience, and further discoveries on the same field may lead to an increased population. I would point out also that this field is not dependent entirely upon mining resources. There is also a splendid agricultural district in the vicinity, and it is quite within the limits of possibility that even if the mining were exhausted the agricultural interests would be great enough to maintain the town and probably lead to an increased population. As it appears that the honorable member for Coolgardie has misinterpreted my meaning, I wish to quote some resolutions which have been sent to me for transmission to the Postmaster-General. These resolutions were passed at a meeting held at Alectown on the 13th September, 1902, Mr. John Crawford, J.P., presiding. They are as follow :—

1. That this meeting of the townspeople and district residents of Alectown, view with the deepest concern and regret the information that it is the intention of the federal postal authorities to reduce the status of the local post and telegraph office from that of an official to a non-official office, and desires to enter its emphatic protest against such a proposal.

2. That no official intimation has yet been conveyed to the residents of this town and district of such proposed alteration, nor have they been consulted with respect to it; and this meeting desires respectfully to protest against such treatment.

3. That this office has been an official one almost from the inception of the town up to the present time, and, in past years, has been a revenue-producing office. On account of the decline of mining within recent years the revenue has fallen short of expenditure, but the town is the centre of a rich agricultural district, which is being developed, and is capable of greater expansion as soon as adjacent suitable Crown lands are made available for settlement, which are now at the disposal of the Lands department for such purposes. It is confidently expected that this expansion will place the office again on a revenue-producing basis, and necessitate the existing official status.

4. That some eighteen months ago similar action to that now foreshadowed was approved by the State Postmaster-General, and on a visit to this town by the Hon. B. R. Wise, M.L.C., State Attorney-General, the undesirableness of this action in view of the prospects of the district, were brought under his notice, with the result that the approved action was cancelled, compensation paid in connexion therewith, and the existing status maintained. Although, in the meantime, the district has passed through one of the severest droughts ever experienced, and, as a result, adjacent Crown lands have not been made available as expected, still the town and district have made substantial progress in the direction of the anticipated improvements. In view of the foregoing facts, it is respectfully submitted that proposed action should not be taken at the present juncture, but should be deferred for a further reasonable period at least.

5. That the foregoing resolution be forwarded to Mr. T. Brown, M.H.R., for presentation to the Federal Postmaster-General, and that Mr. Brown be asked to urge the claims of this town and district to existing post and telegraph facilities as set out in the resolutions submitted.

I have also presented a petition to the same effect, signed by a considerable number of people. I do not wish it to be understood that I am not thoroughly in sympathy with the policy of the department to make the expenditure and the income balance, but in a case like this, where a privilege has been granted, but where the revenue has temporarily fallen off, and there are reasonable grounds for hoping that in the near future the population will increase, it is a very unwise policy to withdraw existing facilities unless the department is thoroughly satisfied that the district has gone back to such an extent that there is no hope of it regaining its old position. I do not think that the department can contend that that is the case in respect to this district. I merely want to retain for a mining centre the privileges it has hitherto had, and I hoped, in making that fight, that I should have the sympathy of those who, like the honorable member for Coolgardie, know what mining interests are, and what fluctuations mining centres are subject to.

Sir PHILIP FYSH.—I hope the committee will not be led away by the remarks of the honorable member for Coolgardie to think that postal facilities have been withdrawn from this district. I know the township to which the honorable member referred. It had been found necessary prior to federation, by the State Postmaster-General, to recommend that the office there should be reduced from an official to a non-official office. The total revenue has lately fallen to £81, and there is nothing to show

that the district cannot be as well served by a non-official office as by a permanent officer resident there. It is very certain that under section 21 of the Public Service Act the Postmaster-General will have to ask whether he should continue to pay £110 a year for the services of an official at a place where the revenue only amounts to £81, particularly considering that that revenue a few years ago amounted to £112. The honorable member for Canobolas may rest assured that when the large pastoral areas to which he has referred become agricultural areas—and I hope that will be in the near future—if the revenue increases the Postmaster-General will be happy to restore the official office.

Vote agreed to.

Division 163 (*Expenditure in South Australia*)—£232,473.

Mr. BATCHELOR (South Australia).—I have been trying to unravel the South Australian Estimates, but have got into a fog.

Sir GEORGE TURNER.—We were asked to keep the figures for the Northern Territory separately from those for South Australia.

Mr. BATCHELOR.—That is a wise plan, and we shall understand it when we get used to it, but I wish the Treasurer had seen his way clear to show the figures both separately and together this time.

Sir GEORGE TURNER.—The Estimates are very big as it is.

Mr. BATCHELOR.—I admit that the Treasurer has given us ample estimates, but since the Treasurer of South Australia has been speaking about the great falling off of revenue on account of the South Australian post-office and the tremendous increase of the expenditure, I have been trying to find out how that increase arises. The total set down for 1901-2 was £226,109. The amount has increased to £231,473, a total increase of about £6,000. So far as the number of employes is concerned, comparing the number last year with the number shown in these Estimates for South Australia proper and the Northern Territory, I can find a decrease of only fourteen. That is not a remarkable difference. Probably the saving on the reduced number of employes would be from £1,800 to £2,000. The difficulty is to find out exactly where the increased expenditure has taken place. I believe that the increases are not much more than are rendered necessary by the South Australian Acts and departmental customs.

Sir PHILIP FYSH.—There are additional hands employed both in the postal, the telegraphic, and the electrician's offices.

Mr. BATCHELOR. — The Estimates show the reverse.

Sir PHILIP FYSH.—I have taken a note of the matter, and shall inquire into it.

Mr. BATCHELOR.—I hope the Minister will make a note of this apparent discrepancy between his own statement and that which appears in the Estimates. I notice that according to the Estimates the increases in Victoria amount only to about £10,000.

Sir GEORGE TURNER.—The men obtained increases last year, and further increases do not fall due until next year. We are fortunate in having to provide only a very small sum for increases this year.

Mr. BATCHELOR. — Even in New South Wales the proportion of the increase is not nearly so great as in South Australia. It may arise from contingencies which may not be recurring. As this year's estimates for the Northern Territory have been separated, whilst those for last year were bunched together, it is quite impossible to pick out each particular item.

Vote agreed to.

Division 164 (*Expenditure in Western Australia*)—£261,607.

Mr. FOWLER (Perth).—I have waited very patiently in the hope that something would be done in the direction of improving the department in Western Australia.

Sir GEORGE TURNER.—An inspector has been appointed for Western Australia under the Public Service Act, and he will deal with the whole matter.

Mr. FOWLER.—Again and again matters have been brought up which, I am bound to say, have not been dealt with in a very satisfactory way. At first I was inclined to blame the Deputy Postmaster-General, but I am bound to say that I now consider the honorable and learned gentleman at the head of this department is in some degree blameworthy for not doing a little more than what has been done to accomplish improvement. It would be very hard, indeed, to state too strong a case with regard to the condition of postal affairs in Western Australia. Here is an extract taken from a sub-leader which appeared in a daily newspaper published in Perth, and it is only one of many

complaints that are continually being urged—

Scarcely a day passes without the levelling of some serious complaint against the administration of the Postal department of the State. It was thought that the transference of the Postal department to Commonwealth control would be one of the most noticeable blessings that the State would receive from federation, the expectation being that our postal system would be at once brought up to the same level as those of the other States. No doubt this will be the case ultimately, but up to the present time it would appear that the effect of federation has been to make the postal authorities more careless than ever of the requirements of the public.

This is merely a sample of the general summing up by those who have been watching the affairs of the Postal department in Western Australia. I shall detain the committee for only a very little while in giving one or two instances of what is yet being done there. I dare say that the Minister at the head of the department is fully aware of the peculiar conditions regarding postal development in Western Australia. It appears to me that the department is being starved in this connexion in view of the estimated increase of our population as made by the Treasurer himself. Around Perth, in particular, new suburbs are growing up, but no adequate attempt is being made to increase the postal facilities in accordance with the increase of population. One of the suburbs—the suburb in which I reside—is Subiaco, which at its centre is somewhere about three miles from the post-office at Perth. In the year 1900 it had a population of 2,000. At the present time it has a population of 4,500, and that, honorable members will admit, shows a very considerable increase for the period named. The municipal authorities of that suburb have written to the Postmaster-General, and pointed out that they have appealed time and again for an improvement of the postal facilities there. I wish to emphasize one statement in the letter to the department, which is worthy of the attention of the Government. They say that although the population has increased from 2,000 in 1900 to 4,500 in 1902, "the staff in the post-office remains absolutely the same." The answer obtained from the postal authorities is that—

To give the residents all the facilities they would wish would mean a large additional expenditure.

That answer is given as if the expenditure would not be fully justified in the

circumstances. Then a further statement is made of a most surprising character, namely, that—

The same would be asked for on equally good grounds by a dozen other outlying suburbs of Perth and Fremantle.

Surely if it is admitted that there are good grounds for these requests, the department should make some effort at least to overtake them. A little while ago a doctor commenced to practise his profession in another suburb. The telephone wire passed his door, and he asked to have his house connected. That request was refused. He could not obtain any satisfaction from the deputy Postmaster-General. He was determined to obtain telephonic communication, to which he had a perfect right, but before anything was done the secretary of the Perth Chamber of Commerce, the Premier of Western Australia, and finally I myself, had to take the matter up.

Mr. SALMON. — What was the reason for the failure of the department to do anything?

Mr. FOWLER. — I cannot give the reason, but I propose to show how the work was eventually carried out. A reply was made to this effect—

Your telegram re complaint by Dr. Darbyshire. — The Postmaster, Cottesloe, informs me his application dated 15th inst., and rent paid for six months in advance from 1st June next. As he is a medical man he utilized portion of a dead wire with some old material and had him connected on the 19th.

Surely that is not a condition of things that ought to exist in connexion with this large and important department? Surely it should not have been necessary for the department to obtain portion of a dead wire and some old material before a medical man's house could be connected with the telephone system which passed his door. Here is another complaint by a gentleman who lives a little over a mile from the Perth Town-hall. He has telegrams sent occasionally to his private residence, and in addition to the cost of transmitting a message, he is charged 1s. for its delivery. I find that according to the regulations in Melbourne a telegram would be delivered over the same distance at a cost of 3d. There is a good road to this gentleman's house, and I fail to see that there is evidence of very much effort on the part of the department to obtain uniformity if at this period such a remarkable difference prevails with regard to the rates charged in the large cities of the

Commonwealth. These are simply samples of numerous other cases which have been brought before me as having occurred in my own electorate. The same condition of affairs is prevailing throughout the whole of Western Australia. I would strongly urge the Government to take some steps to place the department in Western Australia upon something like a commercial basis. That is all I ask, and I think sufficient patience has been exhibited in regard to these matters to justify an improvement at a very early date. I can assure the honorable gentleman in charge of the department that I intend to see that something is done in the direction of remedying these legitimate grievances. My patience is now rapidly becoming exhausted, and I think I have shown that very strong reasons exist for a greater effort being made by the department in Western Australia to meet the requirements of a permanently increasing community. There are one or two other matters with which I desire to deal, and which go to show the curious anomalies that exist within the department. There is not only an almost unanimous outcry on the part of the public against the management of the department in Western Australia, but there is a condition of seething rebellion within the department itself. There are very few of the different branches in which the employés are even reasonably satisfied. This state of affairs is largely owing to the many inconsistencies and anomalies which have existed up to the present time. I am expecting that under the commissioner and his inspectors these matters will be speedily righted. But in the meantime it is my duty to call the attention of the gentleman in charge of the department and of the commissioner to a few of these anomalies. There seems to be no system whatever regulating salaries, and particularly the salaries of officials in charge of post-offices. I have taken out some rather significant figures which I desire to lay before the committee. The town of Geraldton, with a population of 2,400, has a postmaster whose salary is £240 a year. The postmaster at Bunbury, with a similar population, receives £270. At Northam, with a population of 2,000, the postmaster receives £190. At York, with a population of 1,300, the salary paid is £220. At Busselton, with a population of 452, the salary paid is £180. At Newcastle, with a

population of 339, the salary paid is £150. My point is that these are old centres in Western Australia. I now quote some of the newer settlements.

Sir PHILIP FYSH.—Has the honorable member any record of the money order and other departments connected with these post-offices, because they have an influence in regulating the salaries?

Mr. FOWLER.—I have not that information, but I hold that the salary should bear some fair relation to the population. I find that at Subiaco, with a population of 4,500, the postmaster is paid only £165. At Helena Vale, or Midland Junction, with a population of 1,500, the salary paid is £180; and at Leederville, where there is a population of 2,500, the salary paid is only £140. To compare two specific cases, the salary paid to the postmaster at Newcastle, with a population of 339, is £150, whilst the postmaster at Leederville, with a population of 2,500, only gets £140. I quote these figures as evidence of anomalies existing in Western Australia, which I trust will soon be remedied by the Commissioner and his inspector. I should have dealt with a number of other matters showing the maladministration of this department in this State; but as the Government are anxious to get through with their Estimates, I shall not labour the subject. I think I am fairly justified in asking that some attention shall be given to the conditions which I have indicated as prevailing in Western Australia, and that some earnest effort shall be made at an early date to bring about some degree of improvement.

Progress reported.

ADDITIONAL ESTIMATES.

Mr. SPEAKER reported the receipt of a Message from His Excellency the Governor-General, recommending to the consideration of the House of Representatives additional Estimates of expenditure for additions, new works, and buildings for the year ending 30th June, 1903, and recommending appropriation accordingly.

Referred to Committee of Supply.

SPECIAL ADJOURNMENT.

Resolved (on motion by Mr. DEAKIN)—

That the House, at its rising, adjourn until half-past ten o'clock to-morrow.

House adjourned at 11.10 p.m.

House of Representatives.

Thursday, 2 October, 1902.

Mr. SPEAKER took the chair at 10.30 a.m., and read prayers.

PARLIAMENTARY TOUR.

Mr. McCOLL.—I wish to know, from the Minister for Home Affairs, if his attention has been drawn to a paragraph appearing in this morning's newspapers, in which it is stated that a Parliamentary trip round the continent is projected. I do not desire to be connected with extravagance of that description, and I, therefore, wish to know is any such trip contemplated? If so, are the expenses to be paid for out of the public moneys? If any such trip is contemplated, will the Government give the fullest information, and allow this House to discuss the matter before anything is done?

Sir WILLIAM LYNE.—I have not read the paragraph referred to, but I am not going to be governed by the two Melbourne newspapers. Those who conduct them assume a dictatorial attitude in regard to the affairs of all the States. There is in my mind the intention, though I have not yet discussed the matter with my colleagues, to give an opportunity to members to visit the other States. I did not suggest the trip; the idea of going round the continent was suggested to me, though the newspapers, in order to give me a pin-prick, have thought fit to say it is my idea. If the proposal suggested is the best and the cheapest that can be adopted, I do not see why we should not carry it out.

Mr. GLYNN.—Will similar trips be taken by future Parliaments?

Sir WILLIAM LYNE.—I can answer only for the present Parliament. I stated yesterday, when the matter was referred to, that I had received a telegram from the Premier of Western Australia expressing a desire that members should visit Perth as well as other places. Such a trip will enable honorable members to become better acquainted with the country in regard to which they have to legislate, and if there are many new members in any succeeding Parliament, it would be as well for them to take one. The press seem to me to be making the most extravagant statements in regard to this matter.

RETIREMENT OF COLONEL STUART.

Sir LANGDON BONYTHON.—Is it true, as reported in this morning's newspapers, that the only position that could be offered to Colonel Stuart, of South Australia, was one carrying a salary of £300 per annum?

Sir WILLIAM LYNE.—I thought that the salary attached to the position was £350. I understand that Colonel Stuart preferred to take a retiring allowance in order that he might live upon some property which he has in South Australia.

Sir LANGDON BONYTHON.—Did Colonel Stuart ask to be retired, or was he told that if he did not accept the position offered to him he would have to retire?

Sir WILLIAM LYNE.—The information given to me is that he asked to be retired. I have received a letter containing full information on the subject, but, as I did not know that the question was to be asked, have not brought it with me.

Sir LANGDON BONYTHON.—I have been informed that the fact is to the contrary.

Sir WILLIAM LYNE.—I believe that the honorable member is misinformed. It is not desirable that tittle tattle about matters of this kind should be brought before the House. I was prepared, on the recommendation of the General Officer Commanding, to give Colonel Stuart a position if he would take it, but I have been informed that Colonel Stuart asked to be retired, because he did not wish to leave South Australia, where he is interested in certain property.

Sir LANGDON BONYTHON.—Is not the real explanation to be found in the fact that the position offered to Colonel Stuart was one which he could not accept?

Sir WILLIAM LYNE.—I do not think so, unless he could not accept it because he wished to remain in South Australia.

Sir LANGDON BONYTHON.—He had no special wish to leave South Australia.

Sir WILLIAM LYNE.—In that case, I have been misinformed. I shall, however, be able to get full particulars from the General Officer Commanding almost immediately.

Mr. POYNTER.—The letter which the Minister showed to me stated that it was Colonel Stuart's wish to resign.

EXPENDITURE IN SOUTH AUSTRALIA.

Sir LANGDON BONYTHON asked the Treasurer, *upon notice*—

(1) Whether he will give the House a statement of the cost of each of the transferred departments in South Australia for each of the past three financial years; and

(2) Whether he will explain the reasons for the apparent increased cost provided for each department on this year's Estimates?

Sir GEORGE TURNER.—I regret that I am at present unable to give the information asked for. On the 1st August we wrote to the Government of South Australia, and to the Governments of the other States, asking them to give us certain information with regard to their past financial years, so that we might be able to build up a comparison extending over two or three years. All the other Governments have given us certain information, but the Government of South Australia, although reminded and asked upon a second occasion, has hitherto not even acknowledged our letter. The reason for the apparent increased cost in the Postmaster-General's department is the ordinary increase of work. The cost of administering the Customs department has been reduced, and the increase in the Defence department, which is due to certain additional appointments, will be explained by the Acting Minister for Defence later on. It must not be forgotten, however, that we are charging against revenue this year, for new works and buildings, £20,000 which formerly would have been charged to loan account. That accounts for a large part of the apparent increase. The question of arrears has also to be taken into consideration. Certain statements have been made by the Treasurer of South Australia in regard to expenditure, and my accountant endeavoured to check them yesterday, but was unable to do so. I have therefore given him instructions to apply to the Government of South Australia with a view to ascertaining on what basis their figures have been arrived at, so that we may try to reconcile ours with theirs. I am certain that there has been no unreasonable increase in the Commonwealth expenditure for which South Australia is liable. As soon as I get further information I will furnish it to the House.

CONVERSION OF STATE LOANS.

Mr. CLARKE asked the Acting Prime Minister, *upon notice*—

Whether the Government are prepared to discuss with the Premiers of the different States of the Commonwealth the advisableness of the Commonwealth Government undertaking the conversion of State loans which shortly fall due, with a view of obtaining more favorable terms for their renewal.

Mr. DEAKIN.—The Government are willing to discuss with the Premiers of the States the advisableness of undertaking the conversion of State loans to obtain more favorable terms for their renewal. It will need discussion. There are several important questions to be dealt with. Determination must be arrived at as to what consideration is to be accorded the Commonwealth for accepting the responsibility, the conditions as to future borrowing, and the method of giving effect to the proposals. The Prime Minister is obtaining information on the latter subject from some of the leading financiers in London.

Sir JOHN QUICK.—In asking the Treasurer, *upon notice*—

Whether he will, during the recess, consider and formulate a scheme for taking over a proportion of the public debts of the States under section 105 of the Constitution, by a gradual process of substituting federal security and federal stock for State security and State debentures, as existing State loans fall due, making the interest on renewed loans a charge on Customs and Excise revenue of the States responsible for the original loans, and whether he will endeavour to mature and bring such scheme into operation in time to float a loan to substitute federal stock for Victorian debentures amounting to £5,457,000, which fall due on 1st January, 1904.

I should like him to inform the House how much could be taken over upon the *per capita* basis. I have been told that if federal stock could be substituted for Victorian debentures in time to convert the next Victorian loan it would mean a saving of nearly £500,000 to the State.

Sir GEORGE TURNER.—I am not in a position to give the information asked for. Personally, I have always been strongly in favour of the Commonwealth taking over the whole of the States' debts and controlling their future borrowing. The Prime Minister at my request is making inquiries in London as to the feasibility of converting the loans of the various States, and I hope that if a conference takes place with the Premiers of the States some satisfactory arrangement will be

come to by which this can be done, if possible, in time to convert the next Victorian loan, in which case a large saving, though not so large as the honorable and learned member has been informed, will be made.

VICTORIAN CUSTOMS WEIGHERS.

Mr. CLARKE (for Mr. HUME Cook) asked the Treasurer, *upon notice*—

As the weighers in the Customs department of Victoria—unlike officers doing similar work in the other States—have not been provided with an increment upon the Estimates, when is it intended they shall benefit by section 19 of the Victorian Public Service Act, viz., by having their salaries brought up to £156 a year?

Mr. KINGSTON.—The answer to the honorable member's question is as follows:—

Nothing to which these officers are believed to be entitled has been denied them, but the effect of section 19 is in course of judicial ascertainment. So soon as this is settled the matter will be further considered.

GRAFTON TELEPHONE BUREAU.

Mr. CLARKE asked the Minister representing the Postmaster-General, *upon notice*—

1. Whether the latter is aware that the work of installing a telephone bureau at Grafton, which was approved nearly twelve months ago, is still suspended, and that only one pole has been erected?

2. What is the cause of the delay?

3. Whether the Postmaster-General will issue instructions that the work shall be proceeded with without further delay?

Sir PHILIP FYSH.—Inquiries are being made in the matter.

CRICKET PITCH, VICTORIA BARRACKS.

Mr. PAGE asked the Acting Minister of Defence, *upon notice*—

1. How many men of the Permanent Artillery Forces have been recently employed at the Victoria Barracks making a cricket pitch?

2. Was this pitch previously used as a parade ground, and is it for the use of the permanent office?

3. Have certain guns and defence material been used in the construction of this pitch?

4. Who pays for the time of the artillery for doing this work, and have they no other more important work to do?

Sir WILLIAM LYNE.—The answers to the honorable member's questions are:—

1. One to six men.

2. This ground was used as a portion of the parade ground, and will again be so used. The alterations will in no way interfere with its use

as a parade ground. It is not for the use of the permanent officers, but for the members of the Regimental Institute (officers, warrant officers, non-commissioned officers, and men).

3. No.

4. This work has been carried out by soldiers at no extra cost to the country, and at such times as their regimental duties permitted.

VICTORIAN TRANSFERRED OFFICERS.

Mr. CROUCH asked the Acting Prime Minister, *upon notice*—

1. Whether the right of transfer granted to members of the Victorian State service from the non-clerical to the clerical division under section 52, Act 1890, and section 10, Act 1324, will be conserved to them in clerical appointments to the Commonwealth Public Service carrying salary equal to that now received by them?

2. Do sections 60 and 62 of the Commonwealth Public Service Act conserve the State rights of officers in the Postal department for transfer from the non-clerical to the clerical division?

Mr. DEAKIN.—The answers to the honorable and learned member's questions are as follow :—

1. Section 23 (4) of the Commonwealth Public Service Act authorizes the transfer from the general to the clerical division of officers of the Victorian State service who have qualified in that behalf. The section is, however, silent on the matter of salary, and the Crown law authorities are being consulted on the point.

2. This is governed by the rights conferred under section 52 of the Victorian State Act, which, it is held, is purely permissive, and does not confer on officers any legal right to transfer.

IMMIGRATION RESTRICTION ACT.

Mr. L. E. GROOM asked the Acting Prime Minister, *upon notice*—

Whether he will inform the House as to the operation of the Immigration Restriction Act in each State for the period from the commencement of the Act to the 31st August last, with respect to—

1. The number of persons who had passed the prescribed test?

2. The number of persons who have been refused admission?

3. The number of persons who were admitted into the Commonwealth under the exemptions referred to in section three by reason of purchase of tickets prior to 1st August, 1901?

Mr. DEAKIN.—The numbers of persons who have passed the prescribed test are in New South Wales, 15; Victoria, 2; Queensland, 2; South Australia, 9; and Western Australia, 7; making a total of 35, of whom 9 were Europeans to whom the test was wrongly applied. The Act is in operation at every port of the Commonwealth, but some of the officials in remote

places have taken a little time to grasp the duties devolving upon them. I have one interesting report from which it appears that the officer, in his kindly consideration for an immigrant who could not pass the test first applied, sought for an interpreter and varied the original sentence. As the immigrant could not pass the second test the assistance of one of his countrymen was invoked, and finally he was enabled to pass. Happily this was a case in which the test need not have been applied. In another case, a European insisted upon having the test applied before he would come into the Commonwealth. The officer pointed out that the immigrant was apparently financially sound and a person of European race, and that, therefore, it was not necessary to apply the test, but the immigrant insisted upon having the test applied and passed triumphantly. In reply to question No. 2, I may state that 126 persons were refused admission to New South Wales, 16 to Victoria, 115 to Queensland, 35 to South Australia, 37 to Western Australia, and 1 to Tasmania, making a total of 330 of whom 47 were Europeans. Thirty of these were Italians who were subsequently admitted. They were detained in the first instance owing to the suspicion that they were contract labourers. The other 17 Europeans were denied admission, either because they appeared likely to become a burden upon the public, or were, upon special grounds, regarded as undesirable immigrants. The number of immigrants rejected affords no indication of the number who were prevented from coming here, because immediately after the passing of the Act all ship-owners engaged in trading to the East refused to accept passengers unless they were furnished with documentary proof that on their arrival in the Commonwealth they would be permitted to land. This involved a preliminary application for permits by Asiatics who desired to come to the Commonwealth. In a few cases permits were granted, but scores have been refused, and hundreds of intending passengers have been informed by the ship-owners that, from their knowledge of the law, it would be useless for them to attempt to secure admission to the Commonwealth. With regard to the third question, the exemptions granted were not issued under section 3 of the Act, but were made at the discretion of the Administration

at the time the Act was brought into operation. They were extended to persons who had purchased tickets, or were actually on their way to Australia before they could be made acquainted with the passing of the Act; 58 persons were so admitted into Victoria. The reason why they were admitted into that State and not to others was because no local Immigration Restriction Act was in force. If Victoria had possessed the same legislation as other States for their exclusion they would probably not have been admitted. The effect of the Act is partly, and only partly indicated by the figures, but these are sufficient to show that during the nine months for which the Act has been operating, in spite of the novelty of its provisions, it has been effective in excluding many hundreds of undesirable immigrants.

TASMANIAN POST AND TELEGRAPH OFFICIALS.

Ordered (on motion by Mr. SYDNEY SMITH for Sir EDWARD BRADDON)—

That a Return be laid upon the Table of the House showing in detail for all Tasmanian post and telegraph offices the establishment which existed immediately prior to the date upon which these offices were transferred and that which now exists, with rates of pay then and now existing.

SUPPLY (1902-3).

In Committee (Consideration resumed from 1st October, *vide* page 16343):

POSTMASTER-GENERAL'S DEPARTMENT.

Division 164 (*Expenditure in Western Australia*)—£261,607.

Mr. FOWLER (Perth).—I desire to add a few remarks to those I made last night in connexion with the administration of this Department in Western Australia. I mentioned that a large amount of dissatisfaction existed throughout the public service of Western Australia, and that this was largely due to the conviction that the remuneration given to public officers was not in keeping with that paid in other States. I would be the last to refer to this question if I were not satisfied that the claim of the public officers in Western Australia was very well founded. In the first place the cost of living is undoubtedly higher there than in most of the other States. Apart from this the salaries paid do not compare favorably with those drawn by officers in other States, who, so far as I can understand, perform precisely

similar work. I desire to mention two typical cases. In the Records and Correspondence branch of the Postal department of Western Australia, the remuneration for ordinary clerks—exclusive of the highly-paid officials—averages £170 per annum, whereas in the same branch of the Victorian service—in which the remuneration is by no means lordly—the average salary paid to clerks is £233 per annum. Then, again, in the Money Order, Parcels Post, and Stamps branch the average pay of the Victorian clerks is £212 per annum as compared with £170 in Western Australia. I am willing to admit that in the case of the higher officials in a large State like Victoria it is reasonable to look for larger salaries than would be paid in Western Australia, but when we are dealing with the ordinary routine work of the department, it must be admitted that the conditions are similar, and I fail to see, therefore, why the large discrepancies to which I have referred should exist. I hope that this and other anomalies, to which I have referred, will receive the consideration of the Minister, and also of the Public Service Commissioner and Inspector at an early date. I can assure the Minister that the grievances complained of are real, and that they have a very serious effect upon the general efficiency of the department. I claim, also, that a fair amount of patience has been exercised by the public and by the postal officials in Western Australia, and that, therefore, it is about time that some steps were taken to justify the hope that the establishment of federation would result in an improvement in the service.

Mr. KIRWAN (Kalgoorlie).—I wish to say a few words in support of the remarks of the honorable member for Perth. As I know there is a general desire to bring our work to a close, I shall not go into particulars, but merely tell honorable members that if I were to ventilate the public grievances in connexion with this department in Western Australia, I should occupy considerable time. I understand that an Inspector has been appointed for the public service of Western Australia, and that it will be his duty to inquire into the work of this and other departments. I should like special attention to be paid by him to the matter referred to last evening by the honorable member for Perth. There is a general feeling in Western Australia that the older settlements receive more generous treatment

